RS-EER-90-058 APRIL 1990



JPRS Report

East Europe

East Europe

CONTENTS JPRS-EER-90-058 30 APRIL 1990 POLITICAL INTRABLOC Voivodina Hungarians Demand Full Native Language Instruction [Budapest NEPSZABADSAG 20 Feb] Debate on Need for Ethnic Minority Organizations [Budapest NEPSZABADSAG 14 Feb] BULGARIA Council of Europe Chairman Bjork Interviewed /RABOTNICHESKO DELO 3 Mar/ UDF Leader Zhelev Interviewed /LITERATUREN FRONT 15 Feb] CZECHOSLOVAKIA Czech Uranium Mines Said To Have Supplied USSR [LIDOVE NOVINY 3 Mar]8Jicinsky Discusses Principle of Federation [LIDOVE NOVINY 10 Feb]8Party Daily Accused of Hypocrisy [LIDOVE NOVINY 24 Feb]10Present, Past of Czechoslovak Jews Reviewed [SVET V OBRAZECH 90]11Controversy About Paper for Print Distribution Intensifies12 CPCZ Insists on Original Allotment /RUDE PRAVO 8 Mar/ 12 HUNGARY POLAND Senate Marshal on Elections, Parliamentary Workings, Farm Policy PÓLITYKA Weekly News Roundup | POLITYKA 31 Marl | 20 YUGOSLAVIA Morina's Chances of Survival as Kosovo Party Head Assessed [DANAS 6 Feb]24 MILITARY BULGARIA **POLAND** General Staff Academy Department Chief on New Defense Doctrine

Methods of Establishing Ministry of Defense Budget Outlined [ZOLNIERZ WOLNOSCI 9-11 Mar] Military Technical Review Establishes New Format [ZOLNIERZ WOLNOSCI 7 Mar] Prospects of Assisting Discharged Soldiers in Civilian Life Viewed [ZOLNIERZ WOLNOSCI 6 Mar]	34
ECONOMIC	
CZECHOSLOVAKIA	
Minister of Finance on Federal Budget, Economic Reform [PRAVDA 28 Mar] Future of Agricultural Sector Considered [LIDOVE NOVINY 14 Feb]	37 38
HUNGARY	
Commodities Exchange To Be Established in Szentes [NEPSZABADSAG 20 Feb] Automotive Industry Said on Verge of Collapse Csepel Auto Problems Reported [NEPSZAVA 13 Feb] Ikarus-Csepel Joint Problems [NEPSZABADSAG 16 Feb] Analysis of Manufacturing Situation [NEPSZABADSAG 17 Feb] Deputy Finance Minister on Fledgling Stock Exchange [MAGYAR HIRLAP 27 Feb] Volkswagen Audi Expansion to Hungary Viewed [NEPSZABADSAG 20 Feb]	39 39 40 40 41
POLAND	
Danish Chemical, Food Processing Firms 'Interested' in Polish Market [ZYCIE WARSZAWY 15 Feb] Economic Council on Recent Developments in Agricultural Market [RZECZPOSPOLITA 15 Feb]	

INTRABLOC

Voivodina Hungarians Demand Full Native Language Instruction

90BA0021A Budapest NEPSZABADSAG in Hungarian 20 Feb 90 p 3

[MTI report: "Voivodina Hungarians Urge Reinstitution of Full Native Language Instruction"—first paragraph is NEPSZABADSAG introduction]

[Text] Representatives of Voivodina's ethnic Hungarians are pressing for instruction in their native language. The Initiating Committee of the Democratic Community of Voivodina Hungarians (VDMK) wrote an open letter to Stanko Radmilovich, president of the Executive Council of the Serbian Republic, and Radoman Bozhovich, president of the Executive Council of the Voivodina Socialist Autonomous Territory, asking them—in accordance with their constitutional rights and obligationsto personally assist Voivodina Hungarians in recovering their high schools in Szabadka, Zenta, Becse, Ujvidek, Becskerek, Zombor, and Topolyak. In those trade schools where the circumstances and the financial and cadre possibilities permit it, they request organizing, in accordance with realistic needs, the teaching of the entire curriculum in the native language.

High schools offering the entire curriculum in Hungarian, the letter emphasizes, disappeared during the rule of the autonomists (i.e., the party and state leadership in Voivodina between 1972 and 1988), moreover, the means for limiting teaching in the native language was the introduction of trade-centered instruction.

The Initiating Committee turned to the two heads of government with this request because the new law of the Serbian Republic concerning high school instruction does not determine precisely enough the right—or the process of enforcement—to teach the entire curriculum in the native language. The committee called attention to the fact that organizing the instruction in the native language becomes possible only in such a fragmented decisionmaking process that it is almost impossible to trace the real cause if the process gets blocked somewhere.

Under the given circumstances, in the committee's opinion, enforcement of the legal rights of the Voivodina Hungarian nationality is possible only if it is also endorsed by personalities vested with constitutional authority, such as the president of the member republic or the head of the territorial government.

The VDMK Initiating Committee announced at the same time that, in the interest of reviving high schools that teach the entire curriculum in the native language, it will institute proceedings at the Serbian Constitutional Court to reexamine that provision of the law which considers teaching the entire curriculum in the native language to be on a par with bilingual instruction.

The committee is again initiating a movement aimed at familiarizing parents of first graders with the arguments regarding the advantages of instruction in the native language. It will propose to the territorial government that it lift, this year, the restrictions that make possible the preliminary selection of university students wishing to continue their education in the Republic of Hungary for the purpose of reducing their number.

In a separate letter, the Initiating Committee called the attention of the Voivodina Government to the fact that, for years, more persons have been applying to the territorial authorities for study in Hungary than the number allowed by the restrictions in force. Yet Hungarians living in the Croatian and Slovenian republics are free to study in Hungary. In their opinion, the letter emphasizes, the changes that took place in the two neighboring countries created a new situation in which citizens should be guaranteed their democratic right to study abroad unhindered if they are able to bear the expenses of their studies and pass the entrance examination. Measures by the Voivodina Government would greatly contribute to the process of democratization, and citizens would increasingly realize that they are free to exercise their human rights. In addition, a decision to allow Yugoslav citizens to continue their studies in the Republic of Hungary would also prove that instruction in the native language cannot be an obstacle to higher education. Lifting the restrictions could greatly contribute to parents enrolling their children in nativelanguage sections. These extraordinarily significant standpoints were signed in the name of the VDMK Initiating Committee by Andras Agoston, Deputy Director of Forum Publisher, Voivodina.

Debate on Need for Ethnic Minority Organizations

90BA0021B Budapest NEPSZABADSAG in Hungarian 14 Feb 90 p 3

[MTI report: "Debate on the Society of Voivodina Hungarians—Why Does the Desire of the Nationalities Affront Belgrade?"]

[Text] A debate on political pluralism was arranged by the regional committee of the Alliance of Voivodina Communists.

It was emphasized in the introductory statement and by most speakers that organization based on nationality should not be allowed in the Serbian Republic and its autonomous territories (in Voivodina and Kosovo).

A territorial party official specifically rejected the initiative to establish the Democratic Society of Voivodina Hungarians. He raised the question of what would happen if Kosovo's Albans and the other nationalities were to also begin organizing this way. "That would mean fragmenting Yugoslavia," he determined, "therefore, 'the spirit of being Yugoslavis' must be nurtured in the nationalities."

Janos Vekas replied in the name of the initiating committee of the Democratic Society of Voivodina Hungarians. It is characteristic, he pointed out, that whenever the subject of national minority as a collective body is mentioned, it is considered an insurrection, not the right of a nationality to keep pace in its development with that of majority concentrations. Organizations should be judged not on the basis of national or ethnic affiliation but primarily on the basis of their programs. Those who proposed the establishment of the Society of Voivodina Hungarians have never been against a unified Yugoslavia and Serbia. They are only fighting for the consistent recognition of their constitutional rights. The Society's program clearly indicates that it does not want to gain ground at anyone's expense, but rather attempts, on the basis of reform concepts, to integrate Hungarians in Yugoslavia.

BULGARIA

Council of Europe Chairman Bjork Interviewed

90BA0001A Sofia RABOTNICHESKO DELO in Bulgarian 3 Mar 90 p 3

[Interview with Anders Bjork, chairman of the Parliamentary Assembly of the Council of Europe, by Maksim Bozhilov and Petur Gornenski; date and place not given: "Joining the Council of Europe Will Be Achieved Not in Strasbourg, but in Sofia"—first paragraph is RABOT-NICHESKO DELO introduction]

[Text] Three days ago the chairman of the Parliamentary Assembly of the Council of Europe, Anders Bjork, wound up a brief but exceptionally busy visit to our country. Before he departed, representatives of the editors met with the visitor and talked about the results of his numerous appointments in Sofia.

[RABOTNICHESKO DELO] Mr. Bjork, did these two days of conversations suffice for you to get complete impressions of the political situation in Bulgaria?

[Bjork] Two days, of course, were not sufficient. But it should be borne in mind that before we came to Sofia, my assistants and I familiarized ourselves in detail with the events in your country. We did not leave before we were very carefully briefed. This is the first step in our collaboration and it will be followed by much energetic activity. I hope that parliamentary commissions from the Council of Europe will be invited this very year for conversations here in Sofia. This is a very good foundation for personal and political contacts.

[RABOTNICHESKO DELO] And were your advance expectations for the visit borne out?

[Bjork] Yes, they were. Before arriving here, I had formed the opinion that Bulgaria is a country headed at full speed for democracy and free elections. For me it was not a surprise that there are obstacles along the way.

I respect the differing opinions expressed in this connection by the government and by the opposition. This, of course, is nothing new for us—in the Parliamentary Assembly of our organization in Strasbourg there are likewise differing viewpoints on a particular problem. And now when we speak of Bulgaria's relations with the Council of Europe—I have in mind not the status of a "specially invited country," but its full membership—I would emphasize that the key to its achievement is not in Strasbourg, but in Sofia. If there are no problems here, it goes without saying that we will gladly cooperate.

[RABOTNICHESKO DELO] In connection with the expansion of East-West relations, would you say something more about the Council of Europe's Project "Demosthenes"?

[Bjork] This project is a good example of our saying that we are not talking about European cooperation. We are not as rich as the European Community, but we have achieved a significant increase in our budget this year by decision of our member countries. We have agreed to use these resources for East-West cooperation projects. More specifically, "Demosthenes" is a project through which we are trying to find a common language. The project encompasses many different activities, but the unifying point is that we must have common concepts—when we talk about democracy or discuss or decide technical questions etc. For the present, the greatest obstacles to East-West cooperation in building the new Europe lie here. For people with different traditions, words have different meanings. With Project "Demosthenes" we are trying to make the concepts identical, to unify people to teach them, to create better opportunities, and to exchange opinions. In my opinion, this is the best thing, much better than official agreements, to expedite this process.

[RABOTNICHESKO DELO] Would you discuss in more detail the activity of the Parliamentary Assembly of the Council of Europe—its method of decisionmaking? Are its decisions binding on member countries?

[Bjork] With very few exceptions we make no binding decisions. We have many executive functions—we elect the general secretary and his deputy. We elect the members of the European Court, we vote on recommendations, we take initiatives. For example, most of the most important conventions have been discussed in the Parliamentary Assembly as initiatives of political groups or individual politicians. We are the moving force in this process. I believe that in the future the Parliamentary Assembly should have a new part to play. In the common European home there will be a need for two parliamentary assemblies—one of them elected by direct vote, and a European Senate composed of representatives of national parliaments.

[RABOTNICHESKO DELO] In what ways, in your opinion, might the Council of Europe assist Bulgaria in overcoming some difficulties in the economy and in other areas?

[Bjork] You might benefit from the Council of Europe's experience in all areas of its activity. The problem here is that we do not ordinarily need what you do. I think that one of the greatest errors Western Europe might make is to help Central and Eastern Europe in the same way it helps the African countries: Give them a great deal of money and leave them alone, take no interest in them. We have experience and funds, though not as much as we wish, to organize seminars, colloquiums, programs. In Strasbourg, for example, we have a youth center where every year hundreds, maybe thousands of youths come at our expense and take part in language or political courses and seminars in environmental protection, etc.

[RABOTNICHESKO DELO] How do you regard your mission as intermediary with a message sent by Chairman of the Council of Ministers Andrey Lukanov to Mr. Turgut Ozal?

[Bjork] I would say that this is a way of sending some friendly greetings. Turkey is a member of the Council of Europe and let us hope that Bulgaria will soon join. And when you're in the same organization, you'll try to avoid any conflicts that might be troublesome not only for both countries but also for the Council of Europe.

UDF Leader Zhelev Interviewed

90EB0314A Sofia LITERATUREN FRONT in Bulgarian 15 Feb 90 p 2

[Interview with Dr Zhel'o Zhelev, chairman of the Union of Democratic Forces, by Atanas Tsonkov on 29 November 1989; place not given: "I Still Consider Myself a Marxist"—first paragraph is LITERATUREN FRONT introduction]

[Text] Zhel'o Zhelev was born on 3 March (marked by the sign of the Liberation or, more accurately, the struggle for freedom) 1935, in Veselinovo Village, Shumen Oblast, to a poor family of farmers. He studied philosophy at Sofia University and applied for graduate studies but his application was rejected. The reason was that, more important than his excellent-grade diploma, he was not a member of the BCP [Bulgarian Communist Party]. He then worked as a Komsomol secretary in his native village where he was accepted as a BCP member. He soon became a postgraduate student at the Department of Philosophy of Sofia University. His dissertation was on the definition of matter, in which he criticized Lenin's familiar viewpoint. That was sufficient reason for expelling him from the BCP in 1965.

[LITERATUREN FRONT] Was your dissertation published?

[Zhelev] By law it had to be published or at least its basic ideas had to be, so that I could defend it. I submitted an article on this work to the periodical FILOSOFSKA MISUL, but Todor Pavlov rejected it and launched a real campaign against me. At that time I told him that there are other philosophy periodicals and that my article will be published. Todor Pavlov said: "This boy

will not earn a living from philosophy!" To this I answered: "More is the pity that you deal with this only, earning your own living from philosophy!" I slammed the door behind me and never returned.

[LITERATUREN FRONT] Were you indeed able to find other philosophy journals to print your "heretical" article?

[Zhelev] Yes, I sent the article to the GDR, written in coauthorship with two other friends, to make it more substantive, and submitted it to its philosophical journal. However, my article was delicately refused, for this criticism appeared frightening.... I then wrote a letter to Walter Ulbricht and explained to him that I criticize Lenin's definition on the basis of a Marxist viewpoint and that it represents nothing dangerous. He ordered that the article be printed as it was. This enraged Todor Pavlov. He published two articles, one in FILOSOFSKA MISUL and another in the periodical SEPTEMVRI, in which he accused us of revisionism, all three of us: Ivan Dzhadzhev, Dimitur Uvakov, and myself.

After this, I published a much longer text, part of my dissertation, in the Yugoslav Marxist periodical FILOSOFIJA, of Belgrade University. This enraged Todor Pavlov's people even further. One of them even wrote and published an entire essay of 100 pages without mentioning the fact that my dissertation had not been published.... Although expelled from the BCP, I had decided to submit my dissertation at all cost. Since the practice of the Stalinists was always to deal with their ideological opponents in the dark, the most dangerous thing was to prevent me from defending the dissertation and, at the same time, state that I had not written it. For that reason I printed my dissertation (through the samizdat method) in 200 copies and sent one copy each to Todor Zhivkov, Mitko Grigorov, the then ideological leader, the rayon party secretary, to Dimitur Kosev, the then university rector, the dean of the department, and all members of the Department of Philosophy, the better known personalities in literary circles, etc. I added a cover letter explaining why I had been forced to disseminate my dissertation in this manner and why an ideological posse had been launched after me without enabling me to defend my ideas and why was I expelled from the party and from Sofia.... That was the reason for which I turned to the Bulgarian people to support me in my public defense.

[LITERATUREN FRONT] Did this defense nonetheless take place?

[Zhelev] The instruction issued by the Central Committee was to have a discussion but, as was to be expected, this was rather an attempt at a political investigation of the channels through which the articles had been sent to the GDR, Yugoslavia, and so on. I was visited by two representatives of the Central Committee, and I told them that if they want to c'aim a police investigation as being a scientific discussion I shall leave the room and write another letter. This was a typical

ideological reprisal, allowed on the highest level. I was asked one more police-style question, after which I picked up my raincoat and left. They started running after me. Most of the party organization at the university supported me, and it took seven meetings to expel me from the party.

[LITERATUREN FRONT] That was precisely the time when I was studying journalism at the university but we did not know anything about these battles....

[Zhelev] This was a case of the great isolation of the Bulgarian intelligentsia. It was precisely because of such secrecy and lack of public exposure that the system had always been able to localize conflicts and to prevent them from triggering a reaction in society or awaken public opinion and civic awareness....

[LITERATUREN FRONT] Glasnost is a "dangerous" thing....

[Zhelev] Naturally, it is dangerous, it is the most dangerous weapon! It is no accident that Ukase No 56 listed as forbidden activities, side by side, the manufacturing of weapons and duplicating press equipment....

[LITERATUREN FRONT] When and how did you write your main book "Fascism?"

[Zhelev] At the beginning of 1965, already expelled from the party, I had no possibility whatsoever of finding a job anywhere, at which point I left for my wife's native village, Grozden, Burgas Oblast. Her parents never hinted to me that I was unemployed. They are rare, beautiful people. It was then that I wrote "Fascism." At the end of 1967 the book was finished but at that time its title had been changed to "The Totalitarian State." I had already seen Mikhail Rom's movie "Ordinary Fascism." Earlier as well I had been impressed by the total coincidence of many facts and features of the two systems and the incredible symmetry between the two totalitarian regimes. When I undertook, systematically this time, to study and seek the inner logic, it became entirely clear.... It turned out that documentary materials on this matter were exceptionally bountiful. All seemed to indicate that it was a question of 'total coincidence of structures', of the same model in two variants....

[LITERATUREN FRONT] Did you realize at that time that the people will be reading about fascism but will be thinking of deformed socialism?

[Zhelev] I thought that it was very important for the people clearly to realize that there was no difference between the two systems and the fact that what was in our country was no socialism whatsoever. These were simply totalitarian regimes based on state capitalism. Ours was a more advanced state capitalism: Absolute state monopoly extending over the entire national wealth, whereas under fascism private ownership predominated and there were only elements of state ownership.

For that reason fascism turned out to be a less complete, less developed, and less perfect totalitarian regime. It was an imitation of ours....

[LITERATUREN FRONT] Comparisons are already found in the Soviet press between Stalinism and Hitlerism. The question is even asked what regime was more dangerous and more criminal. Is such a comparison possible?

[Zhelev] Yes, I think that this is possible. In my new preface to "Fascism," I make precisely the same comparison between the two totalitarian regimes.

[LITERATUREN FRONT] Which, actually, is the original model of totalitarianism, both theoretical and practical?

[Zhelev] Theoretically, it was never created. After the revolution entirely different things were contemplated. It was a question of creating a society without commodity-monetary relations, without commodities, without money; gold had to be depreciated and as to the superstructure, the state was to wither away along with the bureaucracy, the Armed Forces, and the police. However, from the very beginning this society began to move in precisely the opposite direction. Yet Lenin said that on the very next day after the revolution the planned process should be initiated, for otherwise this would not be a socialist revolution.... He was the first to realize the error and the NEP was an effort to correct it, to abandon the entire utopia described in "State and Revolution." Stalin, however, undertook to pursue the utopia. We saw how far he went, for today there is no more advanced way of production in the world than the capitalist. Mankind has not as yet invented another, a higher means of production. Naturally, this will come but no one knows when and how.

[LITERATUREN FRONT] How did you find the courage, 22 years ago, to support your view and to write such a book? On whom were you relying by clashing with the entire system?

[Zhelev] On myself. I was helped by the belief that I was right. The belief that one day this truth will prevail.

[LITERATUREN FRONT] Did you not fear that they could crush you, as they used to do?

[Zhelev] Such real dangers did exist and, several times, reached the point of manhandling.... After the publication of "Fascism" there were threats, by phone or by messenger.... Obviously, if a person takes a given path he should follow it. Many people lost their jobs over that book. The editors of the youth publishing house were punished. Professor Ivan Slavov, as the outside editor, was reprimanded; Professor Kiril Vasilev, who reviewed the book, was given early retirement; the other reviewer, Professor Nikolay Genchev, was given a party punishment and forced to resign....

[LITERATUREN FRONT] What was the further destiny of your book?

[Zhelev] The book was printed in 1982 in an edition of 10,000 copies, some 6,000 of which were distributed among readers. There was no way to withdraw them. The other 4,000, which went to the libraries, were retained by State Security. Later a request was made to publish the book in the Soviet Union but our countries were bound by special treaties and translations are not possible without permission. Currently parts of the book are being published in a periodical of the Ukrainian People's Front.

[LITERATUREN FRONT] Who was the first reader of your book?

[Zhelev] Radoy Ralin. Furthermore, while writing the book, I thought about him as the ideal reader who understood everything. He has always been one of my supports.

[LITERATUREN FRONT] What is your view of the Bulgarian model of totalitarianism and why is it that for such a long period of time no efforts to overthrow it were made?

[Zhelev] In the period after World War II a number of attempts were made in the other Eastern European countries to overthrow the totalitarian regimes: in the GDR, Poland, Hungary, and the Soviet Union. Only in Bulgaria nothing happened. Only in our country.... There were no mass disturbances. It was only the Turks, albeit on an ethnic basis, who organized the first thousands-strong popular movement against the totalitarian regime in Bulgaria in 1989.

[LITERATUREN FRONT] How do you explain the silence, patience, and obedience of the Bulgarian people?

[Zhelev] On this matter I expressed my view in the past. Both Khaytov and the people who think like him were very annoyed.... How do I explain it? Above all, by the slavish complex which our people preserved from the period of Turkish slavery. If we see what Botev and Petko Slaveykov wrote, and what terrible things have been said by them against this slavish complex! Throughout Botev's poetry we find repeatedly the words "this slavish land," "sing slaves," "this slavish cradle,"... In the textbooks our children read that the poet is bemoaning the difficulties of the people. That was not a complaint but a savage accusation of the Bulgarian people! His journalistic articles include even more violent expressions against the ox-like patience of the Bulgarians....

[LITERATUREN FRONT] Botev judges this nation which he loved so much that he gave his life for it....

[Zhelev] Naturally, the same applies to Levski. Eyewitnesses claimed that at his trial Levski said that the Bulgarian people want freedom but would like someone else to present it to them on a platter....

[LITERATUREN FRONT] The same thing seems to be happening now: In Czechoslovakia or the GDR the people are following a mass movement, active and

tireless, toward democracy. Is it still fear which prevents the Bulgarians or is it that they prefer a peaceful life even when it is miserable? Or is it due to the deformations in the personal dignity and other moral values?

[Zhelev] There are both fear and deformations tending toward the slavish complex. The attitude toward the Turks is precisely a manifestation of a feeling of national inferiority. There are those who try to compensate for their slavish complex by suppressing a smaller ethnic group in the population. Why did these jingoists not oppose the Zhivkov regime when during the Brezhnev epoch, on two occasions Zhivkov wanted to make us a Soviet republic? Why did they remain silent?

[LITERATUREN FRONT] They may not have been aware of such intentions....

[Zhelev] Were they not? They knew very well, for the Western radio stations regularly informed them. If the present leadership is intelligent it should make a full break with the Zhivkov regime on the Turkish problem as well. Zhivkov and his accomplices must be strictly condemned as national criminals, for that which they laid at the foundations of Bulgaria was dynamite!

[LITERATUREN FRONT] But what would you respond to the claim that the Turks wanted to become autonomous and for Bulgaria to lose some of its territory?

[Zhelev] These are plots of the various services. I have spoken with serious representatives of the Turkish intelligentsia, with leaders of their movement. No one has ever asked for this. These are elaborations aimed at touching upon the most sensitive strings in the Bulgarian heart. Naturally, any nation, told that someone wants to tear away part of its territory, that it will lose a city such as Varna, etc., would be on edge. That is precisely what some institutions were aiming at.

[LITERATUREN FRONT] Many Bulgarians, influenced by our propaganda and, particularly, the mass information media, were confused and directed their hatred at the Turks, particularly when they had to take over their jobs....

[Zhelev] The reason is the low political standards of the Bulgarians who, instead of rising at public meetings against such criminal leaders who brought matters to that point, directed their hatred precisely where they should not have.

[LITERATUREN FRONT] Obviously, this is one of the consequences of the criminal policy—misleading, manipulating people in such a way that they will not know who is their real enemy. Today the question of the political standards of the people becomes even more pressing....

[Zhelev] I already mentioned that the political standards of our people remain quite low. This is difficult for me to say but, unfortunately, it is a fact. To me it was precisely the Turkish problem that was the indicator, for the problem is quite complex. And it is also precisely a problem of political standard. It is like a litmus test which allows us impeccably to determine the real level of a political awareness. The fact that ordinary Bulgarian people believed Zhivkov and his mafia in this thing and followed him, not even questioning what was the purpose of all this....

[LITERATUREN FRONT] The Bulgarian people were being regularly told and it was instilled in them that this was being done for their own good, for the good of the fatherland....

[Zhelev] This policy of stultifying the Bulgarian people achieved a great deal. The Turkish problem is less frightening even as a political problem than it is as a deformation of the awareness of the people. To this effect, every single day we must bring forth facts and documents of the crimes so that one can see how we went so far. The average Bulgarian person, largely misled, must realize that this was a deliberate crime. Then, the next problem which must be solved is demographic. The birthrate of the Bulgarians must be increased. There must be a thorough revision of the entire social and economic policy. This includes returning the private property to the peasants, for the peasant family is the main childbirth social structure, a social structure which needs more children.

[LITERATUREN FRONT] Is there a real possibility for peace between Bulgarians and Turks and for a return to the normal relations which existed until 1984-1985?

[Zhelev] This can be accomplished by categorically condemning Zhivkov's policy on this matter. If the participants in the crimes are punished then one trust will generate another. That is the way, that is the only way. We must leave behind us as soon as possible that situation, which is catastrophic. We must give back their names to the people and return to them their ceremonies and their entire ethnic culture. Naturally, the official language of the state is Bulgarian. However, they must be allowed, in their interpersonal relations, to speak their maternal language, to get married according to their own rituals, and be buried according to their own customs, etc.

[LITERATUREN FRONT] Actually, what was the purpose of the command-administrative and repressive apparatus in encouraging hostility between Bulgarians and Turks? Was it the desire to use the old and tried "divide and rule" method for its own selfish purposes?

[Zhelev] Yes, Zhivkov and his circle deliberately turned the Bulgarians against the minority, feeding that chauvinism, that base jingoism among the Bulgarians, in order to remain in power longer. His self-interest was to present himself as a defender of the national interests, the interests of the Bulgarian state which were allegedly threatened by the Turks and by Turkey. This was very dirty demagoguery which managed to deform the Bulgarian mind. This is one of his most terrible crimes committed against our people.

The principle of "divide and rule" was also applied in pitting the broad masses against the intelligentsia. This was clearly indicated at the first official meeting on 17 November in Sofia. At that time Lazar Stamboliev, the chairman of the Sofia City Fatherland Front Committee openly attacked the Glasnost and Restructuring Club and the other informal associations, labeling them national traitors, renegades, turncoats, etc. This was a clear effort to incite the people against the democratic segments of the Bulgarian intelligentsia.

[LITERATUREN FRONT] In addition to these crimes of Todor Zhivkov's policies, what other major errors were committed?

[Zhelev] The errors began with collectivization, the coercive Stalinist collectivization in Bulgaria, which led to a demographic catastrophe. On 9 September 1944 almost 80 percent of the Bulgarian people were peasants.

[LITERATUREN FRONT] The task was to turn us into an urban highly-developed industrial country....

[Zhelev] The task was different: to destroy private property in all its forms. This included small, working private ownership—of the peasants, the craftsmen, and the petty traders. All of this was to become the monopoly of the state. This was the full repetition and blind duplication of the Stalinist model. As a result, the property of that 80 percent of the Bulgarian people was taken away. After they had nothing to do in the countryside any more, there was nothing to keep them there. They rushed to the cities, the young people at that. They were called to the cities to develop industrialization. Heavy industry as well was self-seeking, equally Stalinist, giving absolute priority to the first subdivision. To this day no one can explain why a country such as Bulgaria had to have such heavy industry....

[LITERATUREN FRONT] Was it not the purpose of heavy industry to make us independent, strong, and highly-developed....

[Zhelev] Yes, but it did not. The reason was exclusively to establish the absolute monopoly of the state over ownership. But what happened to the Bulgarian people? The young people who left the villages went to live in the cities, leasing attics and basements. Some were unable to set up families under such miserable conditions. Others who, nonetheless, managed, were forced to work, both spouses, for the wages were very low. They could have at the most one or two children. For example, my brother was given an apartment after 30 years of work at Kremikovtsi. Others had no apartment even after 30 years of work. How can they set up families?! It was thus that we rushed toward a demographic catastrophe. Add to this the entire repressive policy of the totalitarian regime in Bulgaria. We had residency-this terrible barrier-a feudalism which maimed the lives of several generations. Young intellectuals and specialists could not go to work in the city, while semi-literate people could immediately be hired by the "Cleanliness" Service and thus cross the residency barrier. In "Kremikovtsi" as

well, unskilled workers were accepted immediately, and not only there. What absurdity: The gates to the capital and the big cities were closed to the intelligentsia but were wide open to the illiterate and the semi-literate! All of these crimes committed by the totalitarian system against the Bulgarian people resulted in a demographic catastrophe. This was one of the greatest crimes committed by Zhivkov and his mafia, for there is no greater crime than that of leading a nation to its disappearance.

[LITERATUREN FRONT] Are expressions such as "mafia" and "criminal" not too extreme?

[Zhelev] That is the precise description of things. Zhivkov was not the head of a party but of a mafia. It was a political mafia, a political gang. If for the sake of propriety we describe things by other names I think that things will sound even worse....

[LITERATUREN FRONT] Would this mean that we would be assisting criminality?

[Zhelev] Yes, after the publication of the documents and facts of the crimes, the murders, and misappropriations of huge national budget funds has been undertaken, I think that it will become clear that even these expressions are too mild....

[LITERATUREN FRONT] In your view, what should be the main tasks of the Bulgarian people in order to achieve a fast democratization of the country?

[Zhelev] First, most of the people of the previous regime who are still holding their jobs should resign. This applies both to the party and the government. Anything that has become compromised should go.

[LITERATUREN FRONT] But no one would admit to having been compromised and leave voluntarily....

[Zhelev] That is why we need the pressure of the broad popular masses. Nothing will be accomplished without pressure!

[LITERATUREN FRONT] What kind of pressure?

[Zhelev] Like in Poland, the GDR, Czechoslovakia.... Every day, after work, they attended meetings for half an hour, chanting: "Resignation! Resignation!" This is the civilized way of applying pressure. It is civilized and democratic, without insulting people, without denigration, without excesses, without settling private accounts.... Just resignations! Let them resign!

[LITERATUREN FRONT] But there are some clever "restructurers" who describe this pressure from below and the demands of the people as "witch-hunting."

[Zhelev] They will have nothing to say if the people seriously raise the question!

[LITERATUREN FRONT] In what do you see the main danger threatening renovation processes in our country?

[Zhelev] The lack of sufficient pressure from below. That is why on several occasions one can feel the way events are marking time and the way the nomenclature is beginning to stabilize. For example, the informal movements were assessed as "extremist," etc. Even most ordinary democratic processes such as, for example, the demand made by Radoy Ralin on television, calling for the resignation of people who are compromised, was qualified as "extremism" and "vulgarity."... Why should a democratic procedure be extremist? The nomenclature makes a very general use of the concept of extremism. Extremism has a precise meaning. It means an appeal to violence, a real exercise of violence and suppression or a call to suppress legality.

[LITERATUREN FRONT] Obviously, some leaders identify themselves with the law, for which reason they qualify as extremism the demand of the people for their resignation....

[Zhelev] This is the habit of totalitarian thinking.

[LITERATUREN FRONT] Could the present National Assembly satisfy the hopes of the people?

[Zhelev] No way. This is no National Assembly whatsoever and the people who sit in it have not been elected by the people. These are members of the nomenclature or people appointed by the nomenclature and officially elected, through the mechanisms of pseudo-elections, pseudo-democracy, etc., which were created decades ago. Throughout this entire time almost all conspirators remained silent. They not only remained silent but they passed laws on the basis of which people were killed.... Someone must be held answerable for this!

[LITERATUREN FRONT] You have repeatedly said that you favor peaceful means in the course of the democratization process....

[Zhelev] Yes, this is a basic requirement of our platform. Our line is the following: organize meetings and protests, demand resignations, but in a most civilized way, openly, rejecting in advance any attempt at violence and reprisals. We consider such attempts as provocations.

[LITERATUREN FRONT] Is there any danger that the provocation would come from the outside, from interested leaders?...

[Zhelev] The danger does exist. For example, during the first meeting of informal organizations, on 18 November, in Sofia, we were warned that some people intended to throw gasoline at the meeting, and make trouble and interfere.... We immediately notified the militia and the BCP Central Committee and warned them. These elements did not dare to engage in such a provocation. We need vigilance and standards! Everyone must act in a very civilized way and not yield to any kind of provocation, whatever its origin; they must not be answered!

[LITERATUREN FRONT] What do you think about the strikes?

[Zhelev] A general strike is a universal weapon. However, in order not to hinder economic life, there could also be warning strikes or very short strikes, such as two-hour strikes....

[LITERATUREN FRONT] Finally, who is your main political and spiritual teacher?

[Zhelev] I find it difficult to name a single one. I have gone through various stages—Hegel, Marx, Lenin... To this day, however, I consider myself above all a Marxist. I believe that historical materialism is the most serious doctrine in sociology. It is the only global sociology which can reliably explain things. I believe, however, that no communist party which has been in power so far has been Marxist.

CZECHOSLOVAKIA

Czech Uranium Mines Said To Have Supplied USSR

90CH0015A Prague LIDOVE NOVINY in Czech 3 Mar 90 p 6

[Article by Petr Radosta: "Czechoslovakia's Gulags"]

[Text] To many readers it is still a puzzle how the so-called socialist camp countries could survive the long period of economic stagnation after World War II. The shortcomings and unprofitability of the so-called socialist economic system were made up for by the slave labor of the regimes' political opponents for a number of decades. If the Soviet Union produced a tetal of 340 tons of gold in 1965—that is, nearly one-third of the world's production—it meant that in the gulag at Kolyma and elsewhere hundreds of thousands of prisoners had to labor as slaves in inhuman conditions; their only salvation was to turn in 10 grams of gold daily so that they would get their ration—"a piece of bread and something their jailers called tea." The Soviet Union ended the United States monopoly in the possession of nuclear weapons reportedly as early as in 1948. But from where did it get the uranium ore when at that tim no one knew as yet about the deposits in Siberia, Canada, or the South African Republic?

In 1945 the guns were hardly put to rest when already in November a treaty was signed between the CSR and USSR on mining uranium at ridiculously low prices. The idea of how gold is mined was simply transferred.... Within two years uranium ore was mined in the same way. After the war there were only three mines in Europe producing uranium ore, but by the end of 1948 in the Jachymov area alone there were 28 pits in operation and deposits were being found at Pribram and elsewhere. Where could one get miners who had a crucial need for protective suits when safety clothing was in short supply even for the Soviet emissaries who had to oversee production so that even waste would not be sold to the class enemy?

Following the Soviet example (the slogan for the whole nation was "The Soviet Union Our Example!"), tens of thousands of potential as well as real enemies were sent

to the mines. Thus was socialism propped up by the slave labor of former Czechoslovak army officers, patriots unwilling to submit to Communist dictatorship, farmers who failed to deliver prescribed quotas. The Correctional Labor Camps (TNP), commonly called forced labor camps, were nobly called "institutions of correctional education" by A. Cepicka, Gottwald's son-in-law. The then Prime Minister A. Zapotocky was a little more accurate and described them as "reeducation of the enemies of the regime." But how many men had to labor until exhaustion in the uranium mines?

The Jachymov section needed permanently at least 24,000 slaves. It was to have them! From the so-called Victorious February until the end of 1950, 4,835 officers, among them 57 generals, were thrown out of the army and for the most part imprisoned. The State Court condemned 27,000 patriots and an additional 23,000 farmers who opposed collectivization or did not deliver the prescribed quotas, 4,500 students and without the benefit of a trial 22,000 more of our fellow-citizens were sent to forced labor camps. Of course not all of them were in the TNP at the same time. but around Jachymov the camps began to fill up shortly after February [1948] and until 1960 there was always sufficient labor force!!! Only to enable the Soviet Union to carry out in Siberia experiments with nuclear weapons? Today hardly anyone can count the TNP with slaves for the mines, only names of some of them remain-Eva, Nikolai, Marianska. Prokop, Rovnost I and Rovnost II and many, many more. Filled with the flower of Czech and Slovak intelligentsia, with seasoned front fighters, thousands of students and tens of thousands of white-collar workers. All "for a piece of bread and something their jailers called tea!"

The Czechoslovak gulags too belong to the history of the Soviet conquest of space. Next to Solzhenitsyn's Ivan Denisoviches there are also the prisoners of Jachymov's and Pribram's mines. If you count on the pages of the Archipelag Gulag those who never returned from those places, try also to calculate the size of the Soviet Union in proportion to ours. You will arrive at a startling number of our people drowned in the mines, buried under cave-ins or beaten to death by the TNP guards. Perhaps someone will provide these data also for our history textbooks, even though some may think that this sort of thing is not fitting to be there....

Jicinsky Discusses Principle of Federation

90EC0375A Prague LIDOVE NOVINY in Czech 10 Feb 90 pp 1, 10

[Interview with Professor Zdenek Jicinsky, vice chairman of the CSSR Federa! Assembly, by Rudolf Zeman; place and date not given: "To Give the Federation a New Meaning"]

[Text] We discussed fundamental issues of our republic's constitutional system with Professor Zdenek Jicinsky, vice chairman of the Federal Assembly of the CSSR.

[LIDOVE NOVINY] How do you see the future development of the Czechoslovak federation? Nothing much

has been said about it lately—perhaps because mutual contacts in this respect are frustrated by certain differences of views predominating in relations between the Public Against Violence and the Civic Forum coordinating center?

[Jicinsky] As far as contacts are concerned, so far we have always succeeded in reaching consent and harmony on fundamental issues. That is a positive aspect. It is understandable that once the situation settles down a bit and certain issues can be discussed from some perspective and with some detachment, we will have to return to the principles of the federal system. That is the bottomline issue in the existence of our state; its solution is fundamental also in terms of our new constitution which should provide a new definition of the Czechoslovak federation, not to abolish its basic principle, which is equality of both our nations, but determine its specific arrangement. Particularly division of authority between the federation and the republic calls for thorough consideration. In 1968 precisely these same problems were subjects of major controversies and naturally of some nationalistic emotions as well. At that time we who were representing the Czech side pointed out both the lack of time and the fact that there actually was no Czech political representation that could express our national and political interests. The arrangement adopted in the constitutional law was agreed upon under pressure of time. With hindsight I admit that if that were not the case, it might never have been adopted-taking into account the development of the post-August 1968 normalization. Although at that time I criticized that solution as being needlessly convoluted, complex, and cumbersome, from the democratic standpoint it can hold its own today. However, in 1970 the original concept of the federation was considerably revised in the centralist sense and thus lost its true meaning. Over the past 20 years Czechoslovakia was transformed practically into a unitarian, bureaucratic, centrally managed state, and the federation in fact was only an external facade concealing the real power structure.

Our current objective is to give back the federation its true essence. This cannot be done without a new integrating force because the former one no longer exists; it was the communist party which ruled our state and society. Its monopoly of power has vanished and with it, also the integrating function of the CPCZ. Today we must use a different method to achieve integration which is vitally important for the existence of our state. Because new political structures of a democratic character in both the CSR [Czech Socialist Republic] and the SSR [Slovak Socialist Republic] are only starting to appear, questions concerning these matters remain open.

In this context we must take into account the significant processes of integration occurring in Europe over the past 20 years. They are connected with the establishment of European communities and with various European integrations, including unification of the legal system. We are getting into a complex situation because we know very little about those processes. Nevertheless, we must

consider them when we specify what is the authority of the federation and what is the authority of our national republics in terms of protecting full national rights, so that we do not obstruct the necessary processes of unification. Those processes must also take place in our country, if we want to be integrated in Europe as its full-fledged member. As such, we cannot remain apart from the processes of integration now underway in Europe.

[LIDOVE NOVINY] Do you have any specific proposals on formulating the federative system in the constitution? As compared with the current situation, what changes must take place?

[Jicinsky] I cannot yet answer such a specific question. For instance, in conjunction with election laws we weighed proposals in the Civic Forum and with our Slovak friends about potential different restructuring of the Chamber of Nations, let us say, on the principle of delegationnational councils would delegate part of their deputies to the Chamber of Nations, or perhaps the whole national councils would be members of that Chamber and jointly negotiate certain issues. When we were having a roundtable discussion of these matters, the representatives of the Democratic Party came up with a proposal for a unicameral Federal Assembly. This pleased me since in 1968 I had already offered a similar proposal, because in this case again there are possible specific guarantees of what is important for the Slovak nation—that the Czech majority cannot outvote the Slovak representatives. However, during our deliberations we concluded that potential structural changes of the Federal Assembly cannot be assessed separately from the composition problems of the federation which I have already mentioned. My standpointwhich in the end was adopted—is that in the current stage the structure of our highest representative assemblies should not be changed, only the number of its deputies should be reduced.

[LIDOVE NOVINY] And what about the phenomenon of Moravia and Silesia?

[Jicinsky] Naturally, it came into focus because any relaxation after a totalitarian dictatorship brings with itself a desire to assert various local and regional demands. Old regional traditions are rooted in history and linked with a different development, characteristic customs and specific cultural traditions. In the past this fact was been ignored because the centralist system suppressed everything that seemed different. However, these problems cannot now be resolved all at once; their numbers would overwhelm us and thus, prevent the solution of our main problem, namely, gradual formation of democratic society.

In 1968 the Moravian-Silesian Association demanded that my removal because it considered me hostile to Moravia. I do not think that I am anything of that sort but at that time I just could not agree with demands for

a tripartite federation not because I begrudged the Moravians their specific character, but because that contradicted Slovakia's demands. Its representatives saw this as a denial of the basic principle of the Czechoslovak federation, which is the recognition of equal rights of our two nations.

We should now seek a solution of these problems within the framework of the developing Czech statehood which in fact did not exist before. Although we had the federation, the existence of the Czech Republic meant nothing at all to the citizens of Bohemia, Moravia and Silesia. Nobody thought an honor to have the Czech government and the Czech National Council, because their existence had no rational purpose for citizens of the CSR. We should be endeavor to give those institutions some meaning. In this context I also admit the value of "Moravianism," so long as it is so characterized; I sympathize with the desire of Silesian citizens that the historical integration of their territory in the Czech lands be reflected in their emblem as well as in our state emblem. This is quite natural and in agreement with man's bond with his national history; such values must be cultivated, but to convey them, we must find a correct expression in the state organization.

[LIDOVE NOVINY] My impression is that many proposals for the solution of this problem rest—obviously, due to the effect of the long years under the rule of a bureaucratic system—in efforts to create new state institutions...

[Jicinsky] That would not be the best way out; we should strive to simplify our state and to make it less expensive; our citizens should be manage much more of their affairs by themselves. In other words, we want to develop the most diverse forms of self-administration. Of course, by that I do not refer to any of the utopian, purely communist ideals; I have in mind self-administration as a phenomenon linked with democracy. In the past it did exist in our country; before the war various forms of local self-management-special interest, professionalhad been advanced.... There are many such possibilities open to us and we must seek them and give them appropriate institutional forms. Then I would tie Moravia's problem exactly with self-management and with the territorial-administrative arrangement of the CSR. Some concepts postulated in the past insisted in a one-sided, rationalistic and technocratic manner on two- or threetier administration, while contrary to them I regard the community, which is a common home of citizens, as the basis for the solution which must be correctly translated into various forms of local administration or selfmanagement. Complex relations come here to the fore in conjunction with financing, that is to say, with the communities' own sources of revenue which will only later disclose to what extent may the community be independent. By the same token, these problems of local self-administration go hand in hand with the problems of state administration, because not everything may be resolved within the community. Much will depend on the community's own sources of revenue; however, when

it concerns guarantees of our citizens' basic rights, for instance, the right to education or health care, the decision cannot depend on the consideration whether the community is poor or rich. Those rights must be equally guaranteed.

Party Daily Accused of Hypocrisy

90CH0015B Prague LIDOVE NOVINY in Czech 24 Feb 90 p 6

[Article by A. Silova: "Intent"]

[Text] RUDE PRAVO admits coyly that until recently it was a very unhealthy situation when membership in a party other than the CPCZ [Czechoslovak Communist Party] or a mere "non-party" label blocked many people from professional growth and hindered them in applying their abilities, plainly restricting their civic freedoms (K. Bradac, RUDE PRAVO 13 Feb 90). It is not an omission when it fails to say that it was precisely the CPCZ which introduced this "unhealthy situation," cultivated it and "in the interest of defending socialism" sanctified and harshly enforced it. The intent here is to lay a basis for this appeal: "Let us not return to it and let us not distinguish between people according to their political belief-we already had it once and it has led to no good." But it is a feeble script behind which one has to read: People, forget that for 40 years we harassed you as much as we could, deprived hundreds of their lives, hundreds of thousands of their livelihood and life in dignity, that with your money we built palaces for the bureaucratic elite instead of hospitals for children with cancer, congress palaces and hotels instead of replacing crumbling schools, that we stole the fruits of your labor to pay for our luxury mansions and a sweet life. Under our leadership and by our decisions the waters, air, bodies and souls got poisoned, material, cultural and moral values were devastated, but don't do this to us! After all, you are decent, democratic, there are hundreds of thousands of you who know how it is when one lives on the margin of society, so don't push us there.... And it is not a culprit's plea for forgiveness but rather an argument from a self-appointed arbiter of decency who quickly forgets and calculates that a nation aggrieved for decades has similarly short memory. That in its decency and tolerance it is really some sort of a dumb Joe who can be again hoodwinked somehow.

Wounds on a living body do heal with time, but they will hurt each time when the weather changes, and some will open again with a wrong move. Communists too must reckon with time for healing, fading away of the pain and fear from opening old wounds. How they themselves want to contribute to this healing is something we learn less about than about "New Forms of Work" (RUDE PRAVO 13 Feb 90) which they are looking for to patch the holes left after the departure of honest deceived people.

Present, Past of Czechoslovak Jews Reviewed 90CH0011A Prague SVET V OBRAZECH in Czech No 7, 1990 p 3

[Interview with Rabbi Daniel Mayer by Dita Fuchsova and Roman Schuster; place and date not given: "Talking With Prague Rabbi Daniel Mayer on Jews and Czechoslovak-Israeli Relations"]

[Text] The Old Town Square in Prague which decided on our future in 1948 and more or less denied it to the faithful, with Parizska Street branching out of it and Maiselova Street at its end. It is here that the seat of the Prague Jewish community has literally been hidden for years. Who could tell us more about it than Daniel Mayer, rabbi of the Prague and the Czech Jewish community? We visited him at a time when a Czechoslovak delegation in Israel was negotiating restoration of diplomatic relations. Hence our first question was: What promise do you see in this new situation?

[Mayer] Truthful information about Jews and Jewry in general, but also about the history and present of Israel. At long last we will see set right the disinformation which our citizens had been fed for years. At the same time I believe that by this act Czechoslovakia will acquire much greater opportunity to exert a positive influence on settling the Arab-Jewish conflict. From the Jewish community's point of view we will get a chance to acquire instructional literature, exchange experts. I assume and firmly believe that there will also be improved contacts between religious communities and an expansion of tourist traffic. In fact this will only continue the rich tradition of cooperation between our countries which originated after 1918 thanks to President Masaryk. One may note the interesting fact that one of the kibbutz villages in the north of Israel bears his name-Kfar Masarvk.

[SVET V OBRAZECH] In connection with the changes in our country there is now increasing debate about the role of the churches. What in your opinion will be the significance of the separation of church and state for our faithful and specifically for the Czechoslovak Jewish community?

[Mayer] First of all we must recognize that in our country separation of church and state will not be practiced in the form that exists for instance in the Soviet Union. It will be in fact a state of affairs where the State respects the positive role of churches in society and behaves toward them accordingly. For instance, by accepting their educational activity which will have to be given front rank in the future given the deep moral decline of our society. And one cannot neglect, especially in the case of our small community, the economic issue. If we don't want to live on foreign aid we will have to draw on State subsidies. And these should continue to be available to churches.

Of course the new era should bring to all faithful, not just to Jews, a great spiritual freedom without any dilettante restrictions. And that is probably our greatest hope for the future....

[SVET V OBRAZECH] What actually was the history of Czech Jews?

[Mayer] The first mentions of them date back to the early 10th century when Jewish merchants came to Moravian markets. They began to settle also in Bohemia but became afflicted by one tragedy after another. The greatest came in 1389 when during a pogrom the entire Prague ghetto was slaughtered. It was only with the Renaissance that a renaissance came also for the Jews. From the Rudolphine period we should mention the personality of Rabbi Loew, one of Komensky's most illustrious predecessors. But his educational efforts paled in the shadow of the legendary Golem and behind the walls of the Prague ghetto. The situation of Czech Jews underwent change also in the wake of Josephine reforms. But it was connected with his gradual Germanization. and so the Malys became Kleins, the Vlks, Wolfs.... But let us now move forward to 1938. At that time there were 360,000 Jews living in Czechoslovakia; 40,000 survived the horrors of Nazi concentration camps and the Terezin ghetto set up in 1941... By 1950 many of them left for Israel with our Government's support. Further emigration waves of Czech and Slovak Jews followed in 1963-64 and 1968-69. They were motivated by a variety of reasons but foremost by fear about one's existence and future... What can one add to that.

[SVET V OBRAZECH] Quite possibly a new interesting chapter is opening in the history of Czech Jews. But after all these decades aren't there too few of you?

[Mayer] This is a complicated question. We have registered about 2,000 believers of the Jewish faith. But of course there are many more Jews in Czechoslovakia even today. Until now they did not affirm their faith for a variety of reasons but it is my hope that they too will find their way to the synagogue. This also because the average age in our Jewish community is very high. Naturally we are trying to win the young, primarily by way of discussions and lately also religious instruction.

[SVET V OBRAZECH] But let us return for a moment again to the recent past. As a rabbi you had an opportunity to compare the situation of Jews in our country and the world...

[Mayer] I have visited all socialist countries, Switzerland, the FRG, Austria, England. Everywhere the Jews enjoyed much more freedom. This could be seen at first glance. for instance even in Hungary when during the Kadar government the attitude toward them, as also the other churches, was far more liberal. I believe we could be downright envious. But all this is probably all in the past now.

[SVET V OBRAZECH] Who can join the Jewish community, become a Jew?

[Mayer] Conversion to the Jewish faith is a complicated affair from both a religious and personal point of view. It affects radically the individual's life. To begin with, we reject everyone three times, to make him realize the tragical nature of the Jewish past. If even after that he wants to live and die as a Jew he can be accepted among us.

[SVET V OBRAZECH] Early in our conversation you mentioned the Jewish community. What actually are Jews, are they a nation?

[Mayer] During the First Republic a Jewish nationality existed in our country. Today however we are regarded, at least in our country, rather as an ethnic minority. So we are not circumscribed purely by religious faith. After all, there are Jewish traditions, cuisine, culture.

[SVET V OBRAZECH] And you yourself, do you feel more as a Czech, or a Jew?

[Mayer] Czechoslovakia is my fatherland and Israel is the fatherland of my ancestors. I regard it as a country in which I can find safety in case of danger.

Controversy About Paper for Print Distribution Intensifies

CPCZ Insists on Original Allotment

90CH0018A Prague RUDE PRAVO in Czech 8 Mar 90 pp 1, 2

[Article by Zdenek Porybny: "A Word to Our Readers"]
[Text]

Declaration of the Representatives of the CPCZ and of RUDE PRAVO

In view of the fact that the proposed agreement on redistribution of paper does not conform to the decisions made at roundtable negotiations of our main political forces on 1 March 1990, and that it considers neither the current situation of the publishing of Czechoslovak daily papers nor the interests of the subscribers and readers of RUDE PRAVO, the Communist Party [CPCZ] cannot endorse that agreement.

RUDE PRAVO would be forced to cut its printing by roughly one-half and to scale down its format at the same time. This would mean that even if RUDE PRAVO would no longer be sold at newsstands, all current individual subscribers still could not be served. Furthermore, no other daily published in the Czech Republic, except for SVOBODNE SLOVO, would be more affected by the proposed agreement.

A Word to Our Readers

The long and complex negotiations of the representatives of our main political parties and newspaper publishers in the Czech Republic concerning redistribution of newsprint were concluded Wednesday night at the end of its fourth round when the majority of the participants in the negotiations signed the agreement.

The representatives of the CPCZ and of RUDE PRAVO—CPCZ Central Committee Secretary Frantisek Adamek, the manager of the CPCZ Central Committee economic department, P. Rosecky, and RUDE PRAVO Editor in Chief Z. Porybny—did not sign the agreement. The main reasons are presented in the statement. I consider it necessary to add the following facts for explanation.

RUDE PRAVO now prints approximately 900,000 copies on weekdays and 1,400,000 copies on Saturday, of which about 553,000 copies go to individual subscribers, and 122,000 copies daily to institutional subscribers. The rest is sold at newsstands of the Postal Newspaper Service and in other outlets. The agreement, which was by the Federal Press and Information Bureau proposed on the basis of the needs expressed by main publications in the Czech Republic, presupposes allotment of the same amount of newsprint—5,000 tons annually—to all main dailies. In case of RUDE PRAVO it means a reduction of roughly 450,000 copies daily—in other words, half of the current amount.

This would make it necessary not only to suspend all newsstands sales of RUDE PRAVO, but also to stop deliveries of RUDE PRAVO to all institutional subscribers and to about 100,000 individual subscribers.

The CPCZ and RUDE PRAVO realize that the newsprint must be allotted more equitably than before, and for that reason have, since the beginning of the current year, unilaterally reduced their planned consumption of newsprint in order to save about 10,000 tons annually as compared with the planned allotment, and have put it at the disposal of the periodicals of other political parties. RUDE PRAVO is ready to continue to help achieve equitable distribution of newsprint, and is aware of the very short supplies of newsprint at present. However, during the negotiations the representatives of the CPCZ and of RUDE PRAVO pointed out the fact that allotments to many other dailies in the Czech Republic would be reduced far less than to RUDE PRAVO, or that they would not be reduced at all. They declared that they could not agree with such a drastic and unbalanced cut for the CPCZ publication.

The publishers of RUDE PRAVO and the CPCZ leadership will endeavor to find some solution that would reasonably satisfy our readers' demands for regular subscription or for the opportunity to purchase RUDE PRAVO in newsstands of the Postal Newspaper Service or in other outlets.

For comprehensive information I should like to add that next to RUDE PRAVO, SVOBODNE SLOVO also would not endorse the proposed agreement, which is scheduled to be introduced as of 1 April.

CPCZ Arguments Contradicted

90CH0018B Prague L1DOVA DEMOKRACIE in Czech 9 Mar 90 pp 1,3

[Article by Alena Slezakova: "Is There Discrimination Against RUDE PRAVO?—About Redistribution of Paper"]

[Text] RUDE PRAVO yesterday published two items: "The Declaration of the Representatives of the CPCZ and of RUDE PRAVO" and "A Word to Our Readers." Both focused on an agreement concluded Wednesday at roundtable negotiations concerning new allotments of newsprint.

Objectively told: In Czechoslovakia newsprint is chronically in short supply and the situation has further deteriorated with the remodeling of a factory of our monopoly manufacturer in Steti. For the period from 1 April to 31 December of this year, a total of 36,900 tons will be available for all central dailies published in the Czech Republic—namely, LIDOVA DEMOKRACIE, SVO-BODNE SLOVO, MLADA FRONTA, ZEMEDELSKE NOVINY, PRACE, RUDE PRAVO, and CESKOSLOV-ENSKY SPORT, plus LIDOVE NOVINY which will begin daily publication on the first day of April CESKO-SLOVENSKY SPORT accepted its 1,900-ton limit. By purely mathematical conversion and on the basis of a "straight starting line," the quota for each of the remaining dailies should then amount to 5,000 tons.

We shall not recapitulate the whole complex process of negotiation. The original agreement (which naturally was only preliminary and not final) expected to increase the amount of paper for publications of political parties and to limit dailies that are not published by political parties. It was quite obvious that this agreement was unrealistic because according to it, for example, MLADA FRONTA would nosedive to approximately half of its current printing; in other words, it would be in the same predicament which RUDE PRAVO now fears. Therefore, in the next round we returned to the "straight starting line."

Certainly, RUDE PRAVO would be hurt the hardest. However, let us consider the reasons stated in its articles. It can very easily argue invoking the numbers of its subscribers, but that means something quite different to the readers of our paper because most of them know that when they wanted to subscribe to LIDOVA DEMOKRACIE in the 20 years or so they had to—cynically, albeit truthfully speaking—wait for one of its subscribers to die. This was one of the consequences of the monopolistic position of the Communist Party whose de facto leadership controlled the quantity of other dailies. Moreover, it is known that subscriptions to RUDE PRAVO were generally compulsory, for example, for institutions.

As for the conclusion of the "Declaration of the Representatives of the CPCZ and of RUDE PRAVO" that

none of the dailies published in the Czech Republic would be affected, except for RUDE PRAVO and SVO-BODNE SLOVO. Although in the course of the negotiations the representatives of MLADA FRONTA and ZEMEDELSKE NOVINY unequivocally expressed their attitude, we interviewed them again yesterday. Both the editor in chief of the ZEMEDELSKE NOVINY, Mr P Schonfeld, and the deputy editor in chief of MLADA FRONTA, Mr B. Hanus, confirmed that the agreement which they had signed does indeed restrict them: for ZEMEDELSKE NOVINY it means that its quota will be decreased by 300 tons as compared with the current situation, and for MLADA FRONTA it will be annually a cut of 500 tons—from which it follows that their current printing will be quite drastically reduced.

For the time being, for LIDOVA DEMOKRACIE the quota of 500 tons of paper is sufficient, not for a lack of would-be subscribers to our newspaper, but because for technical reasons at this particular moment its printing cannot be increased again at this particular time (it has already been considerably increased since November 1989). Moreover, we are realists who recognize the fact that without paper no printing can be done.

Although I personally detest references to the sins of the past, on this occasion I cannot restrain myself from making them. With the exception of RUDE PRAVO, the printing of all other dailies had been artificially kept at the lowest possible level for decades. RUDE PRAVO got whatever it wanted. And today all its claims about the numbers of copies it prints are its admission of its past privileges. To insist on them at this particular time is brazen, to say the least. The Communist Party is only one of our political parties, and RUDE PRAVO is only one of centrally published dailies in the Czech Republic. Gentlemen, all tolerance notwithstanding, your monopoly has ended.

Stricter Measures Hinted

90CH0018C Prague LIDOVE NOVINY in Czech 14 Mar 90 p 1

[Article by Jiri Hanak: "Should the Velvet of the Revolution Get Rougher?"]

[Text] A different time, a different government, different paper. A year ago Adamec's communist government was struggling with shortages of toilet paper like a cobra with a tiger. In the end, toilet paper was imported for hard currency; hard currency came from the sale of wood pulp which is used for paper manufacture. "We're diddling with it in all sorts of ways," said Schweik of the military masses he organized together with army chaplain Katz. For 40 years our economy had been managed following the same method.

At this time paper is again in the center of attention; this is no joke, not even an embarrassing black joke because

it concerns reel paper needed for the printing of newspapers. We are now in the preelection period and the question of reel paper is a question of the future of free and independent press.

What are the facts? Paper is in a short supply, and naturally, the old regime is to blame for it. Paper is in a short supply but is available. However, its allotment is unfair. The Communist Party had opportunely concluded agreements well ahead of time so that nearly nine hundred thousand copies of its daily RUDE PRAVO could be published on a daily basis. The communists refused to sign an agreement drafted at roundtable negotiations about fair allotments of the newsprint.

This means one thing: the Communist Party has formally abdicated its leading role, but in reality it has every intention of continuing it. Armed with its supplies of paper, it vants to determine what can—and what can—not—be published; it intends to determine the amount of copies of other periodicals; it intends to determine what the voters in our country will read and what they will not read. Let us go back to our literary classic: the story of the Communist Party's leading role in our country is the same as that of the porter in Banzet's restaurant: if he was thrown out the door, he would get back through the window. If he was thrown out the window, he would get in through the pantry. We must get rid of that porter once and for all.

how can it be done? I don't know. It takes all the strength I can muster for me to desist from approving the idea that the assets of that party should be expropriated. In Wenceslas Square we chanted that we are not like them. But what can one do if they do not change? Their tricks remain the same, their intrigues remain the same. They have learned nothing and have forgotten nothing. Should we make one more attempt to reach an agreement? Maybe. And what if that does not help? A nation-wide boycott of their press? And if that does not help either? Then perhaps one thing may work: The velvet of our revolution must get a rougher texture.

HUNGARY

Pozsgay Preelection Interview

25000691G Budapest HETI VILAGGAZDASAG in Hungarian 17 Mar 90 pp 72-73

[Interview with Imre Pozsgay, state minister and head of the MSZP party slate, by Zoltan Horvath; place and date not given: "How Many Years of Solitude?"—first paragraph is HETI VILAGGAZDASAG introduction]

[Text] Public opinion research findings show that an odd duality exists in the way society views the Hungarian Socialist Party [MSZP], one of the successor parties to the Hungarian Socialist Workers Party [MSZMP]. While certain MSZP personalities, such as Horn, Nemeth, Nyers, and Pozsgay, rank on top of popularity polls, people give rather low grades to the party itself. What

will be the fate of the MSZP and its politicians after the free elections? What does the party establishment think at this time, the establishment that attributes to itself the glory of having initiated reform processes? How do they live through a situation in which they are rejected each time they seek allies? These are the questions we asked Imre Pozsgay (age 57). He heads his party's national slate, but he wants to run in the elections as an independent candidate for representative.

[HVG] With the elections at the end of the month an era will irrevocably come to an end. What is going to change for the MSZP, in your view? And will voters be able to sense an instant change?

[Pozsgay] Interest has become intense, and encouragements are great for everyone to take part in the elections. We trust that this will not be followed by the consequence that people expect instant changes after the elections. The 25 March elections have great significance, they will change fortunes. After all, in 43 years these will be the first free elections based on a multiparty system. This election, however, is still not proceeding according to the actual political stratification, and cannot result in actual, matured, developed political conditions. I believe that further political initiatives will occur both in the parliamentary arena and in public political life. The final results of the elections will also play a role in both the disappointments and the euphoria experienced by the parties. I believe that the political test will continue.

[HVG] But still, where will the MSZP be thrown during the prolonged political testing period?

[Pozsgay] From a sociological standpoint the Socialist Party is in the center even today: It is a real left-of-center party whose program and bylaws—and a large part of its members, I believe-attest to this. From the viewpoint of political science, we have arrived at a point which we, ourselves did not think about, namely that our political opponents are becoming increasingly militant in trying to push us out of the left-of-center role, and designate our place somewhere on the edge of the left-if these categories are still suitable to provide any direction at all. This is true, even though the Socialist Party wants to change the system, it wants real democracy in which it regards all the consequences of the elections as binding upon itself. This is a result of the party's participation in the public law agreement that was reached. In addition to recognizing the need to change the system, in its social and economic program the party makes a far-reaching recognition that the country still owes itself a bourgeois developmental period, and the establishment of an entrepreneurial society based on capital.

[HVG] I think that from the voters' standpoint the concern is by far not with the program, but much rather with the credibility of the program. Willingly or unwillingly, this party inherited quite a lot of things, after all.

[Pozsgay] What was said before also means that a long time ago we turned our backs on all kinds of class warfare and other outlooks, and that today the preparedness to seek compromise characteristic of West European social democracies is laboring within us. And it is not worth wasting words on analyzing which party has more credible persons who add worth to their party's program. Doubtless, of course, this party broke out of the MSZMP, but already within the predecessor the idea of reform has been maturing ever since 1953, on occasion overtly, and covertly on other occasions. This went on until last October, when the need to change the system, to dismantle the party state, was recognized. Accordingly, our bag contains part of the MSZMP past, but it would be only a false historical semblance to believe that perhaps some persons responsible for the political actions of the past period wear the colors of the Socialist Party. In a society whose anticommunist outlook and emotions are fully understandable after the experience gained in the course of 40 years, there undoubtedly emerge good opportunities to place the Socialist Party under a political quarantine. This effort of our political opponents was not altogether unsuccessful, but I do not believe that this will become the ultimate method of treatment. As a result we find ourselves in the same situation as the kulak did in the 1950's: If he leashed his dog he was punished for abusing animals, if he let the dog lose he was penalized for endangering people.

[HVG] There is no doubt about the fact that views concerning the MSZP are rather contradictory. Public opinion researchers' lists are topped with certain leading personalities of the party—Horn, Nemeth, Nyers—while the party itself is placed somewhere in the lower brackets. They want the faces but not the party? How else could you explain this?

[Pozsgay] I have no doubt about the credibility of public opinion researchers. I do not harbor assumptions which suggest that public opinion researchers would be manipulating. On the other hand, the expressions of a society which has been manipulated for 40 years, and which in very many instances has become devoid of willpower, are less authentic in my view than public views expressed by a society which is capable of espousing traditions that were nurtured by continuous political civilization and culture. I am comparing our situation with the experiences gained from the elections in Nicaragua. Both in Hungary and in Nicaragua we are dealing with postdictatorship public opinion research, when people respond on the basis of certain expectations or presumed expectations—and then the results come in. Like in Managua, where even the American public opinion researchers predicted a huge Sandinista victory, while reality produced a grave defeat.

[HVG] By now the only question is whether one of the opposition parties or the MSZP will play the Sandinista role.

[Pozsgay] I called attention to the uncertainty factors: The closer we come to the elections, the greater is the number of those who are not willing to respond to public opinion surveys. This group represents between 35 and

40 percent of society, and it really represents a mystery from the standpoint of the elections. This mystery presents itself in two contexts: One is whether the voter will go to the polls, and the other, whom he will vote for if he goes to the polls. And yet another matter about personalities. A personal experience. Being linked to the Socialist Party is accompanied by a certain sacrifice. I can assess this based on my own experience: My personal popularity declined to the extent that I made party policy statements. Well, my personal popularity did not disintegrate; I am not concerned about that, but I will note that this kind of "capital investment" also exists: A person who agrees to play the party game as a sociological fact, and whose personal role contributes to the party game, invests his capital in his party, and meanwhile loses some of his own stock.

[HVG] I respect the staid attitude with which you analyze the meltdown of your party's and your own "stock." But as long as we are engaged in evaluations, at what point did the MSZP make the mistake? Where was the opportunity lost for the MSZP to head the great social movement it planned, and to preserve something from the predecessor party's role of distributing political truth?

[Pozsgay] I believe that the chief mistake was the lack of foresight. But not only the socialists suffered as a result of this mistake. Nowadays I am saying that two parties are banging their heads in the wall. One is the Socialist Party because it did not recognize, it could not recognize in advance what was happening to Eastern Europe. The other party is the Alliance of Free Democrats [SZDSZ], because had the SZDSZ foreseen the events, negotiations would not have come as far as they did, because in that case a different kind of revolution would have taken place in Hungary.

[HVG] In your party's view, what kind of government would be most beneficial for the country? And mainly: What would be the thing to be instantly "administered to the people," so as to establish the needed patience to tolerate any new regime?

[Pozsgay] The greatest gift to society would be to have a strong, self-assured legislature able to provide a powerful mandate to a government with good abilities. All of this in order to implement a series of long delayed measures, and to bring about political stability in response to which foreign assistance would make a move at last. I have in mind first of all some anti-inflationary governmental action, even if this creates unemployment, but is able to manage unemployment. The sole means in the hands of the government by which it can offer some relief to society is to moderate inflation. In my view the Socialist party should agree to such a program either as a coalition partner or in an opposition role, even if short-term unemployment is the miserable consequence. I got stuck on this issue because the two most apparent problems of society are inflation and unemployment. In my view, however, these are still not the two most fundamental concerns. The really fundamental concerns are related to

the establishment of social conditions and the political force for reprivatization, and the establishment of guarantees that the state would retreat to the realm of social policy and that accordingly its existence would no longer present risks to entrepreneurs. I cannot perceive of economic activities without competition and risk, but the risk should not be constituted by the state.

[HVG] What I just heard is undoubtedly stunning, and in a certain sense it is not even appropriate for me to remind you of "left-wing values" that are virtually mandatory to the Socialist Party....

[Pozsgay] At present we must establish a compromise between capital and labor, and in the meantime we must not establish social and social policy standards which stand in the way of capital accumulation, because the latter has primacy. I am not surrendering classic socialist values concerning solidarity, the protection of societally endangered groups, and the enhancement of qualifications, but if we think in a rational fashion we must admit that capital accumulation is needed here and now.

[HVG] If a person is somewhat uninformed with regard to domestic policies he could believe that the Free Democrats [SZDSZ] are your worst allies in principle. Anything is conceivable, of course, because as of recently hardly anything is being said about relations maintained with the Hungarian Democratic Forum [MDF]. On the other hand, it is also true that you were the one who excluded the opposition that was later to become the Free Democrats from Lakitelek, as the story goes.

[Pozsgay] This misunderstanding has survived ever since, and some people endeavor to keep this misunderstanding alive. I had no such intention at Lakitelek, and particularly no intention of the kind some people attribute to me in order to revive the populist-urbanite conflict. If anything, this matter is most certainly far removed from my entire mentality and my life course. The invitation to Lakitelek was made not at all on the basis of the populist-urbanite structure. Although it is true that to protest such a semblance Miklos Vasarhelyi did not come to the meeting, but he was among those invited. Anyone who takes a look at the list of 150 participants will find that although a preponderance of presence in favor of the MDF undoubtedly existed, it did so not on the basis of the aforementioned selection criterion. Ever since that time I have often pondered on what basis the actual invitations took place. It is likely that the fact that my presence as a member of the Central Committee and as the executive secretary of the People's Front should not be hindered by the presence of strongly exposed opposition persons served as the decisive consideration. But no consideration was made in bad taste or to conjure up bad memories; the only consideration was that Pozsgay should be able to come to Lakitelek. Do you know what is even more interesting than that? I am experiencing today that even the MDF would like to free itself of that memory. And I once again say that this, too, should be a part of political bargaining and development. The only thing I do not like is when various parties

would free themselves of the memories of their origins, because those origins deprive them—not me—of their historical connotations. And I believe that we find two basic reasons insofar as the similarity of thought is concerned. One is that all parties that are worth something in Hungary are trying to find the answer to the same problem, and that they are able to find only approximately identical answers. And that answer is that in a new period of modernization and integration privatization, the market and the influx of capital cannot and must not be hindered. The other reason stems from the fact that all larger parties are collective parties which do not want to direct public opinion, because this cannot be pursued in this way, in a pronounced fashion.

[HVG] Until the elections, the parties are collective parties in the sense that thereafter the winners must collect money. How much do you feel is needed? And how do you envision this: Who will receive enough money?

[Pozsgay] I am not shy in this regard. At my election rallies I openly state that we are unable to resolve this situation, and that we will not be placed on the list of those who receive assistance in the poor house just because we admit this fact. Accordingly, under no circumstances am I thinking of ways in which the state indebtedness could be managed with additional aid. The dire mechanism for that should exist already, one cannot get out from under this anyway, maintaining solvency will also remain obligatory hereafter.

[HVG] Do you think that the MSZP could receive money from anyone for this purpose?

[Pozsgay] In order to make a start we would need at least between \$1.5 and \$2 billion in free capital to be used expressly for entrepreneurship and functioning. It is possible that as of this time this expectation amounts to a mere illusion, but in my view this amount will be granted by the West not on the basis of the government's color, but on grounds of its stability.

Charges Dismissed in Munnich Statue Case; Courtroom Fireworks

25000694A Budapest NEPSZAVA in Hungarian 30 Mar 90 p 16

[MTI report]

[Text] The Budapest Central District Court dismissed charges Thursday against two members of the Hungarian October Party for causing damage to property. The court found that the complaint was in error insofar as the claim of endangering society was concerned, and therefore no culpability existed. The prosecutor filed a complaint against Tibor Bodrogi and Jozsef Banlaki because on 21 March the two men sawed off and mutilated the Ferenc Munnich statue on Budapest's Nephadsereg Square, then distributed the sawed off fingers of the monument to onlooker. The prosecutor claimed that the action taken by the two men caused 17,000 forints

damage to an artistic sculpture owned by the Budapest Council, and cared for by the Budapest Gallery.

The trial evoked great public interest. In their opening remarks attorneys for both defendants entered motions for dismissal declaring that this was a political rather than a legal trial. They went on to say that conditions for expedited proceedings did not exist, that the damage caused has not been established, and that the hearing of witnesses in addition to those summoned would be warranted. These motions were rejected by the court.

Thereafter, the trial that lasted for almost four hours began. Proceedings were disrupted by the audience several times. For example, Hungarian Independence Party chairman Tibor Hornyak was reprimanded because he "personally resented" the fact that "a Hungarian is being tried in court under a red star." In response, criminal court council chairman Dr. Laszlo Gatter said that as long as the present coat of arms was the official coat of arms of the Hungarian Republic, that coat of arms would be hung on courtroom walls, and that there was no courtroom in the world where the audience was permitted to express its views.

The defendants' statements differed on only one point: Both claimed that each acted alone in cutting up the statue with the rented tool.

Incidentally, the action was observed by policemen all along. They did not interfere, even though the defendants and the witnesses felt that they would have had an opportunity to do so. According to a sentence quoted from the police report, the police were ordered to interfere only if a fight broke out between those who caused the damage and representatives of other parties.

Speaking of his personal motives, the second class defendant explained that during the past six months members of the Hungarian October Party have tried to express the simple people's will all along, even if such expression conflicted with law.

One witness termed the overturning of the monument a scandalous act of vandalism.

Considering the fact that neither defendant had a criminal record, the prosecutor asked the court to impose a monetary fine for the damage done.

The defense stated that during the past weeks a number of statues were overturned in Hungary, yet no proceedings were initiated.

In a brief statement expressing the court's opinion Gatter pointed out that the actions of a person who mistakenly believes that his action does not endanger society is not punishable, provided that he has good cause to support such belief. The court opined that the overturning of statues must be prevented, and the resolution of the problem must be brought within legal channels.

Both the defendants and their attorneys accepted the judgment, while the prosecutor appealed in order to determine culpability. The Budapest Court will pronounce final judgment in the matter.

POLAND

Byelorussian Democratic Union Chairman on Party's History, Goals

90EP0449A Warsaw TRYBUNA in Polish 26 Feb 90 p 2

[Interview with Sokrat Janowicz, chairman, Byelorussian Democratic Union by Ludmila Chalecka-Polocka: "The Semicolony at the Eastern Wall"—first paragraph is TRYBUNA introduction]

[Text] The founders of the first Byelorussian minority political party in Poland, the Byelorussian Democratic Union, held their organizing congress in Bialystok. Sokrat Janowicz, author of several books, including "Bialorus, Bialorus," was named chairman.

[TRYBUNA] Rrecently, writers and journalists have been choosing unaccustomed political careers. Are you following their footsteps?

[Sokrat Janowicz] This actually troubles me since if a writer begins to dabble in politics, it means that there are no politicians. It also means that new politicians have not been able to develop because of the lack of democracy, pluralism, and political culture. I became a politician of necessity. There was no way out of it. I am treating this as a temporary role.

[TRYBUNA] But you predicted the development of a Byelorussian political movement and the possibility of the creation of an ethnic minority party immediately after the June elections.

[Janowicz] I predicted it myself, and I realized it myself, but not alone. Actually, in this whole movement, I am like an chaperone for the movement is made up almost exclusively of young people, as I see them, "young lieutenants" of Byelorussian background. Educated, dynamic, and full of enthusiasm. They include students, scientists, engineers, artisans, and agriculturists with diplomas.

[TRYBUNA] You survived after elections that your candidates lost.

[Janowicz] But it was a good introduction, a real evidence of our presence. The elections were lost in a formal sense, but not in a moral sense. In Bialystok Voivodship where Byelorussians predominate, our candidates won over candidates of the former coalition by four or five times, and over Solidarity candidates in the territory of the Orzel or Czyze communities, by as much as thirteen times. So that if the elections were organized from the Byelorussian viewpoint, our victory would be a natural outcome.

[TRYBUNA] But it is not so bad ...

[Janowicz] Yes, but then it seemed that this might happen in the distant future. In June of last year, I believed that the Polish United Workers Party (PZPR) was, is and will be. Now, in the face of the dissolution of PZPR and with Solidarity alone remaining on the playing field, the Byelorussian minority felt uneasy. Byelorussians distance themselves to some degree from Solidarity and even fear it. Therefore, when PZPR fell, we organized our party on 10 February of this year. Scarcely days passed when I learned that regional councils were being formed in the area.

[TRYBUNA] Are you going to be a political "Cepelia?"

[Janowicz] Not at all. First of all, we will tackle the economic deficiencies that prevail along our so-called eastern wall, that is, with all the neglect and with our semicolonial situation. This was stressed during all of the deliberations of our founding congress.

[TRYBUNA] That is a very ambitious purpose.

[Janowicz] Let us not deceive ourselves in thinking that we will do this with a single stroke of the pen. The first stage is discussing these matters through our own voices. No political power acting in our country is as truly interested in the totality of our problems.

We are concerned with full participation in elections to territorial self- government. The Byelorussians themselves must decide their fate specifically in the communities in which they are dominant.

We cannot allow the lands east of Bialystok to become a desert; we cannot allow this ethnic area to disappear. We want to cultivate this land, we want to plant it, we cannot allow any agrocomplex to arise here.

[TRYBUNA] You are staunchly fixed on the land...

[Janowicz] It is simply that aconomic affairs are closely linked to our ethnic future. This is our small fatherland. We do not want this small fragment of Poland that is disappearing to be transformed into the large city of Bialystok (even now every second inhabitant of the voivodship lives permanently in its capital).

I believe that everything will favor a greater integration of Byelorussians and Poles. In defending ourselves, we are defending a small piece of Poland.

Senate Marshal on Elections, Parliamentary Workings, Farm Policy

90EP0434A Warsaw TYGODNIK SOLIDARNOSC in Polish No 9, 2 Mar 90 p 6

[Interview with Andrzej Stelmachowski, marshal of the Senate, by Jerzy Szczesny; place and date not given: "Acceleration"]

[Text] [TYGODNIK SOLIDARNOSC] In the corridors of the Citizens Parliamentary Club, there is talk among

some representatives of the government of the need to shorten the term of office in parliament and to conduct new elections. Do you see such a need, Mr. Marshal?

[Stelmachowski] So far I have not perceived it.

[TYGODNIK SOLIDARNOSC] Is the Senate conducting consultations with extra-parliamentary political circles in this and other matters?

[Stelmachowski] As yet, there has been no need or possibility. The Senate's tempo of work has been too fast. However, there is a proposition to undertake such consultations both at the time the package of laws on local self-government is discussed as well as later in relation to the elections themselves. Consultations will certainly take place with the citizens committees that are preparing the elections.

[TYGODNIK SOLIDARNOSC] After the decisions of [Solidarity's] National Executive Committee last summer, the citizens committees may turn out to be unprepared for the elections.

[Stelmachowski] I think that the committees have already rebuilt their network. That is why we are hurrying to publish concrete bills. I would like acquaint the public as soon as possible with the proposed shape of people power and with the electoral system and for preelection activity to be quickly undertaken. The citizens committees can currently afford to carry out an action of this sort and to crown it with electoral success.

[TYGODNIK SOLIDARNOSC] The Senate announced amendments to the bill changing the form of the judicial oath of the Constitutional Tribunal, and despite that, the marshal of the Sejm sent the bill to the president for signature. Is that just a "technical" incident? Have any opinions reached you, Mr. Marshal, stating that the Senate makes the legislative process difficult by its own existence?

[Stelmachowski] What does that mean 'makes difficult'? The Senate executes—let's add that it does so quickly and efficiently—the duty of evaluating bills. And that there are differences of tasks between the Sejm and the Senate? That is understood. Courts of the second instance overturn the verdicts of courts of the first instance, and the latter are not at all satisfied with that. But yet, no one puts out proposals to eliminate the appeals courts because of that. The mechanism of senate control is well known and is applied in democratic countries. After all, it has to do with the optimal shape of the law.

[TYGODNIK SOLIDARNOSC] Is there not, however, a deeper political subtext to the existence of the Senate in the opinions mentioned?

[Stelmachowski] The anti-Senate campaign that we have been observing for some time is conducted in the interest of and by the political forces that are not represented in the senate. That should be plain to public opinion. If one does not succeed in winning the election struggle, then

the reason for the existence of institutions should be weakened and also in this way the changes that are taking place should be opposed.

[TYGODNIK SOLIDARNOSC] I would say "the changes that are taking place slowly." After all, aside from the change at the top, which after all has not been completed, not much has changed. The nomenklatura is still in charge as it was before. All the grappling with the pressure groups associated with the cooperative movement or lately with mining testify to the center's astounding impossibility. Censorship, paid for by the budget, still exists. The foundations of the press concern, the Workers Cooperative Publishing House, have not been disturbed. The diplomatic service still remains the domain of the communist nomenklatura. Interests of the old apparatus are located in buildings that are used by the PZPR [Polish United Workers Party], but were not built with party dues. At the same time, in countries which began driving away communism later than we, the terms for withdrawal of the Soviet armies are already being issued. Do you not therefore see, Mr. Marshal, a burning need for political acceleration?

[Stelmachowski] The premier's meeting with Lech Walesa as well as the tempo of work on the shape of local self-government are the expression of just such an acceleration. The elections will certainly cause a small earthquake on the local level. After all, that will be the building of a base for democracy from below, which I consider extremely important right now. The resistance of the old structures commands that local government elections be accelerated.

[TYGODNIK SOLIDARNOSC] Was this so strong as to, for example, make it impossible to eliminate the nomenklatura that is involved in the cooperative movement? Was the pressure perhaps also too weak?

[Stelmachowski] The resistance of the nomenklatura in the matter of the cooperative movement was unusually strong. Let's remember at the same time that the Citizens Parliamentary Club does not have a majority in the Sejm, and the coalition is rather shaky and does not function in those moments in which various interests of the nomenklatura have the opportunity to speak. That puts the Citizens Parliamentary Club in a difficult situation when it comes to the acceleration and the dimensions of the changes. But let's go back to your comparison of the tempo of the Polish changes with those in other countries. What is changing there in essence? And do not all the comparisons accidentally testify in our favor? After all, in our country, solid foundations have already been laid under the new mechanisms of public life. So much so that this is taking place without spectacular gestures. Today in all of eastern Central Europe there exists a great easiness in changing billboards. We have not hurried to change billboards, but we have changed the nucleus of the political system. We simply recognized the essential changes as more important than symbolic changes.

[TYGODNIK SOLIDARNOSC] But what if further essential changes are effectively blocked on account of the weakness of the Citizens Parliamentary Club in the Sejm that you mentioned, Mr Marshal? Will not new elections at that time be one solution?

[Stelmachowski] It is not impossible that such a situation will arise. So far, however, we are trying to overcome resistance to further changes in another way.

[TYGODNIK SOLIDARNOSC] For example?

[Stelmachowski] The Assembly of Seniors, in which the Citizens Parliamentary Club does not have a majority, decides on the introduction of issues into the agenda. That is why the recent constitutional changes were forced through at a plenum of the Sejm. However, such moves can however be employed from time to time, because they require adequate agreements that assure a plenary majority. But in matters running according to the normal procedure, the difficulties with introducing further changes are much greater.

[TYGODNIK SOLIDARNOSC] Among other things, resolutions of the senate are the normal procedure. In one of them, the Chamber advised the minister of justice to prepare a bill concerning the disciplinary responsibility of the judges who broke the right of defense after 13 December 1981. If the department delays working out the bill, will the Senate undertake a legislative initiative?

[Stelmachowski] I do not exclude that. When we undertook the resolution, we intended to draw attention to the fact that now that the new, democratic bases of the functioning of the judicial apparatus had been created, it was time to look at the judges. There are people among them of various origins and of very different moral-political backbone. In order to stabilize the judicial cadre, we must clean it out somewhat. With the Senate resolution, we want to draw the attention of the minister of justice to the fact that if he wants to lead the judiciary into clear waters, the cadre problems may not be taken lightly. Besides, it is not just in the judiciary where the cadre problems may not be taken lightly.

[TYGODNIK SOLIDARNOSC] You are a prominent specialist in agricultural law, the Agricultural Foundation's negotiator for many years, the cochairman of the subgroup on agricultural affairs at the "round table." How then do you evaluate the situation in agriculture and in the countryside after the introduction of Deputy Premier Balcerovicz's reforms?

[Stelmachowski] In the autumn of last year, I made a statement on the principles of this reform in relation to agriculture in the columns of GAZETA WYBORCZA. I feared and continue to fear the economic liberals who exclude state interventionism in regard to agriculture.

[TYGODNIK SOLIDARNOSC] And why precisely does agriculture have to be subject to intervention?

[Stelmachowski] Seventy percent of the EC budget is dedicated year in year out to the realization of the

Community's agricultural policy. This and many other examples incline one to the conclusion that a laissez faire approach to agricultural affairs is unusually risky. I do not want to be unjust with respect to Deputy Premier Balcerowicz's plan by maintaining that this laissez faire approach has been proclaimed in a pure form. However, in my opinion, there is too much of it, and that may have negative consequences for the food market, which in our country is always in pain. A disturbance of the current social equilibrium may threaten next.

[TYGODNIK SOLIDARNOSC] This equilibrium is based on the capital of trust. Unfortunately, this capital is not permanent. How can the Senate use its influence to see that this capital is not reduced?

[Stelmachowski] I will say somewhat pompously: through the constant defense of certain principles, such as, national independence, which we aspire to; democracy; and social justice; and also through the defense of certain juridical principles. Even though, the law is not retroactive. These principles must be defended regardless of circumstances. However, the most difficult problem for the parliament is to feel the rhythm of social processes.

[TYGODNIK SOLIDARNOSC] And, I suppose, social expectations.

[Stelmachowski] That is exactly what I had in mind. The parliament must know how in difficult times to answer the question of when we may allow ourselves the luxury of longer deliberations on concrete, reformist solutions and when they should be markedly accelerated. Today we have time to accelerate. Otherwise, we may collide with social impatience.

POLITYKA Weekly News Roundup

90EP0450A Warsaw POLITYKA in Polish No 13, 31 Mar 90 p 2

[Excerpts]

National News

The Sejm adopted a law on the liquidation of the Prasa-Ksiazka-Ruch Workers' Publishing Cooperative: 279 deputies voted for the law, only 26 voted against, and 41 abstained. In adopting the law, the Polish Sejm probably established a record. The proposal was presented at the Monday meeting of the government; on Tuesday, it was announced in the Sejm; on Wednesday, the commissions discussed it; and already on Thursday, as RZECZPOSPOLITA put it in a headline, "The Bastille has fallen." [passage omitted] The Sejm amended the law on prosecutors (244 votes for, 15 against, 72 abstaining). The debate concerned the method for verifying the prosecutors; a minority proposed to leave all of the prosecutors in their posts and to remove only those who did meet their legal obligations. The government proposal, which was adopted, calls for removing all of the prosecutors on the day the law goes into effect and then naming them through the prosecutor general, the minister of justice. Minister A. Bentkowski said that inasmuch as the prosecutors are being put under his ministry he does not have to explain why he wants to employ some and not others. The Sejm adopted a resolution on Katyn and Lithuania.

The general assembly of the Pax Association elected new officers; Maciej Wrzeszcz is the new chairman.

The Center For Research on Public Opinion has recently noted a decline in the optimism index. The greatest decline in trust in the government and the social forces associated with it has occurred among farmers and intellectuals with a higher education. The trust in Solidarity has decreased among them in comparison with January by nearly one-third. Over the series of surveys (November 1989, January 1990, and March 1990), the index of trust was for the Catholic Church 90 (XI), 88 (I), and 86 percent (III); for the government 82, 82, and 71 percent; for the Sejm 80, 78, and 68 percent; for Solidarity 74, 75, and 60 percent.

The Center For Research on Public Opinion on the election to the local self-governments: in response to a question whether the respondent intends to participate, 63 percent said yes; 11 percent, rather not, 26 percent, does not know yet. [passage omitted]

The cost of producing one ton of coal after the changes in the wage system for miners will increase by 9.3 percent. Of the funds earmarked for wages for free Saturdays and for Sundays, 66 percent was moved to the so-called "black days." It has turned out that the government was surprised by the change in the wage system in mining adopted by the Hard Coal Community and the trade unions.

The prognosis for March (according to ZYCIE GOSPO-DARCZE). On the basis of a survey of 200 enterprises in the socialized processing industry, the Central Office of Statistics anticipates a decline in March 1990 in comparison with March 1989 of 22.4 percent. Employment will only be 2 percent lower. Ryszard Kokoszczynski of the Institute of Econometrics of Warsaw University anticipates a decline in production in socialized industry of about 27 percent (also in comparison with March 1989); Aleksander Welfe of the Institute of Statistics and Econometrics in Lodz, a decline of 28.8 percent; and Dariusz Jaszczynski of the Institute of Finance, a decline of 31.8 percent. The research of the Academy of Economics in Poznan conducted in 100 enterprises shows that the percentage of those who anticipate a decline in production in comparison with the previous quarter has increased to 30 percent in the second quarter from 25 percent in the first quarter.

The Ministry of Agriculture has proposed ending the maximum norms for the area of a private farm. Until now it has been 50 hectares in central Poland, and 100 hectares for the western and northern lands. The ministry has also proposed ending all limits on land sales and making the laws on inheritance more flexible. [pussage omitted]

Unia-Press reports that Zbigniew Brzezinski, former national security advisor to the president of the United States, is to be honored with a doctorate honoris causa by Warsaw University. Prof Franciszek Ryszka is to be the promoter. Z. Brzezinski accepted the invitation of the president of Przemysl to visit his native city and accept the title of honorary citizen of Przemysl.

New rates are to go into effect for this fishing season at the State Fish Farms. Two normal poles from the bank [will cost] 15,000 zlotys for an entire season for members of the Polish Fishing Union and 20,000 zlotys for non-members. For a spinning rod from the bank and from a boat or for two poles from a boat the rate is 45,000 and 60,000 zlotys respectively.

An attempt on the head of the prosecutor's office in Lubliniec? A bomb placed under his car destroyed the entire left side of his Fiat.

New press titles. WOKANDA, a weekly, which is to be a continuation of TYGODNIK KULTURALNY in a sense (price 900 zlotys). METAFORA, a literary-artistic quarterly, published in Bydgoszcz; Jan Gorec-Rosinski is the editor-in-chief. GONIEC TEATRALNY, a weekly; the editor-in-chief is Maciej Nowak, a theater critic (price 450 zlotys), GAZETA GDANSKA, "an independent daily," is being published by "private businessmen;" the editors are "journalists of the recent underground associated with the Association of Polish Journalists in Gdansk" and Solidarity. After an absence of 50 years, the ILUSTROWANY KURIER CODZI-ENNY a journal "financed by American and Polish firms and private individuals," price 1,500 zlotys, has appeared. The first issue carries the heading Special Edition-Lwow. The editorial staffs of the suspended journals DZIENNIK LUDOWY and WIESCI of the Polish Peasant Party "Rebirth" have protested against the decision as "politically damaging, especially prior to the elections to the local self-governments.'

Minister Marcin Swiecicki commented on sales of weapons: "We are a sovereign country, and we cannot refrain from the production of arms until there is at least general disarmament." We have a surplus of production; others sell arms; "why should Poland not also sell arms, especially if it can earn hundreds of millions of dollars in that way. Let us have the courage at least to see some financial successes in this area." [passage omitted]

The Center for Research on Public Opinion asked what there is to celebrate? The respondents said the most important state holidays are 11 November (29 percent), 3 May (33 percent), 22 July (11 percent), and 1 May (8 percent). Of the respondents, 72 percent think that the days off from work should be 11 November and 3 May; more than 40 percent think the other two days should also be days off.

An organizational group of the Proletariat Union of Communists of the Republic of Poland has been formed in Katowice, and it has published the first issue of its organizational bulletin PRZEDSWIT.

Two new candidates for ambassadorial posts have been interviewed by the Sejm commission. Henryk Kupiszewski (age 62), a specialist in Roman and canon law, who is to reside "in one of the capitals of Western Europe," and Jedrzej Krakowski (age 50), a doctor in economics, interned during martial law; in 1984-89, he worked professionally abroad. [passage omitted]

Opinions

Subcolonel Ireneusz Czyzewski, press spokesman for the Ministry of National Defense:

(GLOS PORANNY 12 March 1990)

[Question] How should the act of the minister of national defense placing himself at the disposition of the president of the Republic of Poland be understood?

[Answer] It occurred in conjunction with Gen Siwicki becoming 65 years old.

[Question] Does—as popular rumor says—Deputy Szymanderski have a chance of becoming minister of national defense?

[Answer] If the spokesman of the Ministry of National Defense had any influence on ministerial nominations, I might risk an answer. In any case, the activities of the deputy indicate that he very much wants to take over the position. Parenthetically speaking, at one time so-called popular rumor said that he was to become voivod of one of our eastern voivodships. The disparity in interests is—as you see—great.

Marian Jurczyk, chairman of the Temporary Board of the Szczecin Region of NSZZ Solidarity 80:

(Interviewed by Zygmunt Rola, PERSPEKTYWY 9 March 1990)

[Answer] I think that Walesa's Solidarity has ceased to defend the working people and so the Mazowiecki government has permitted the rapid price increases. We want to build a strong trade union independent of the administration of the plants, of the government, of the political parties, and even of the Church. Only such a union can properly perform its mission. If it is dependent on anyone, it is little different from the old Central Council of Trade Unions.

[passage omitted]

Jerzy Surdykowski, journalist:

(RZECZPOSPOLITA 14 March 1990)

Inasmuch, however, as the "committees," or the regional boards, are today the only organized political forces in their areas, the most varied types of career seekers, individuals submissive to every authority, eagerly basking in its majestic radiance, will search them out. This applies on the one hand to those who have been repainted in recent months in their true colors, who were

patrons until just recently of completely different committees, who noticed just in the nick of time that the proverbial "jam" was no longer in those places, and who are now trying to snatch the appropriate tasty morsels for themselves. On the other hand there are the frustrated ones pursuing the committees and striving for places where they can press the buttons of power and make decisions, to react to their sense of bitterness and wrong. There is nothing new under the sun; every governing party in every political system is subject to similar dangers.

POLITYKA more expensive. We regret to inform our readers that beginning with the next issue (No. 14) our weekly will cost 1,500 zlotys. The price increase has been caused by an increase in production costs. We will attempt to compensate for the price increase by keeping the paper current. We apologize.

YUGOSLAVIA

Top Army Leaders on Federalism, LCY, Pluralism 90EB0288A Zagreb DANAS in Serbo-Croatian 6 Feb 90 pp 26-27

[Article by Gojko Marinkovic: "Whose Army Is It: What Generals and Admirals Think About Federalism, the League of Communists, the Depoliticization of the Army, and Pluralism"]

[Text] Innumerable questions suggest themselves in these difficult days for Yugoslavia, but in these critical days one question rises above all others: Whose Army is it? What will the military do? Is it not Kosovo, or if not, will that be the motive for that historical inevitability to touch our expanses as well? At one point, Momir Bulatovic, president of the party of youth, intellect, and beauty, laid claim to the JNA [Yugoslav People's Army] and with it threatened Slovenia, concerning constitutional amendments. No one responded to him directly. At a rally, the president of the Presidency of Vojvodina, Jugoslav Kostic, openly calls on the JNA to intervene. and some members of the Committee for Internal Affairs of the Assembly of the SFRY have done the same thing. The military is currently saying nothing, although its airplanes are flying over Kosovo and there is apparent troop movement. The Presidency of the SFRY, as supreme commander of the armed forces, has yet to speak out publicly to say: Act under orders. In all likelihood, it will do so if and when it determines that the territorial integrity of the country is threatened, but the question of whose army it is has a much broader significance than that associated only with the Kosovo situation. Because, shall we say, Kosovo is only a consequence and element of a great, not only verbal war (the blockade of Slovenia by Serbia) that has been going on for years in the southern area. That which is most simplistically and visibly declared to be a conflict between Serbia and Slovenia (and to a certain, increasing extent, Croatia), is in fact a conflict between two approaches, personified by Kucan (Ribicic) and

Milosevic. Kosovo may serve as a crucial pretext here, but the essence of the matter is something else. It is precisely for this reason that the statements by representatives of the Army at the 14th extraordinary, uncompleted congress of the LCY [League of Communists of Yugoslavia] had to be cautious. The army delegation at the congress, which has de facto status as a ninth organization, comprised 68 delegates, of which 32 were Serbs, eight Montenegrins, eight Croats, 10 Yugoslavs, five Macedonians, three Muslims, and two Slovenians. According to our count, 16 generals and admirals ask for the floor in order to speak, and from their remarks it is somewhat possible to construct a mosaic of army positions concerning crucial questions of our present and future.

Stane Brovet devoted his exposition to questions of federalism and criticized the draft Declaration, because "the lack of consistency and clarity of the positions in terms of the sovereignty of the federation and of federal entities offers the possibility that they provide a basis for a Yugoslavia structured both as a federal state, and also as a confederalist state." What is being advocated is best seen in the following quote: "The experience of the federation structure in the world, including ours-with full appreciation for the specific nature of Yugoslaviaindicates that in order for it to function efficiently as a state under the rule of law, the federal state must be entrusted with the functions of foreign affairs, security and national defense, the protection of human rights, the uniformity of markets, the foundations of the socioeconomic and political system, the tax system, economic relations with foreign countries, and the foundations of the judicial system." Brovet thinks that if absolute national-republican sovereignty is introduced the federal state system could lean towards a confederation or asymmetrical federation. Among other things, this would call into question the unity of the defense system and the unity of the armed forces.

Similar positions were supported by Milan Cusic, who proposed that the congress documents include the position that "the federation has its own authentic subjectivity and sovereignty, and its functions and interference are effected on that basis, especially with regard to the area of defense. Any further accentuation of confederalist elements would make it impossible to realize a unified system of national defense, and perhaps even mean its liquidation."

Milan Daljevic offered this from the congress rostrum: "Despite full support for the positions and materials of the congress concerning the further development of equality among all our nations and nationalities and for determined resistance to all current and potential unitarianist aspirations in the federation, it is necessary henceforth that we hear a firm NO to all separatist and nationalistic tendencies that would dismember Yugoslavia, a firm NO to all nationalism, regardless of the form in which it manifests itself, a firm NO to any tendencies whatsoever in favor of secession from Yugoslavia, altering its borders, and creating a confederation.

In this regard, our history and the times in which we live teach us that we can endure only united within the Yugoslav context, and that separately we would quickly be obliterated from this exposed position here in the Balkans."

The logical extension of this position held by Daljevic is that "the LCY must remain a unified Yugoslav communist organization. In this complex social period that we are experiencing, we must not accept a confederation in the party and go over to a League of leagues, nor should we accept the proposal to split the League of Communists into two parties. Our LCY must remain a unified organization, amidst full elaboration and development of essential elements of democratic principles—from the basic organization to the Central Committee of the LCY."

Stevan Mirkovic has similar ideas, saying that "in form, we are unified, but in practice we are not. Now, it is being proposed that this situation be sanctioned in form as well, and I am opposed to it." And then he announced, "The Leagues of Communists of the republics are the parties of their nations, but also a part of the LCY. This is all spelled out in the Statute, and that is why we must not put in additional reinforcement of the autonomy of the republican Leagues, since this will not make them more autonomous since they are already autonomous. And this is no problem whatsoever, since they are in fact autonomously developing and realizing their policy. The problem is the development and realization of the overall policy of the LCY and its consistent execution. We are slow at making decisions, even slower at realizing them, and there is even opposition to and ignorance of the decisions of the LCY organs, which is anarchy."

Mirkovic also gave special emphasis to this: "I am against this type of plan for the future on the model of similar parties in the West. We have made mistakes in the past, and we shaped our League of Communists on the model of parties in the East. I daresay we have grown wiser. I think that we do not want to be dogmatists, nor social democrats, because these social democrats have no connection whatsoever with our understanding of socialism."

Branko Mamula was brief on this subject: "I do not support, and I even abhor and fear, the consequences of a breakup of the LCY as a unified organization, but I maintain that the existing situation in the League of Communists of Yugoslavia is the worst one possible."

The generals were especially sensitive to demands for the depoliticization of the Army and abolition of the working principle of organization.

Marko Negovanovic, in a polemic on the idea by delegate Matija Gjerjesa that "in an organizational sense in a state under the rule of law, the League of Communists would not be needed in state organs," said: "What army in the world is depoliticized, and what army is leaderless, with someone else's finger on the trigger? What platform will serve as the basis for such an army, in elaborating its

moral and all other forms of internal integrity? Will this mean the destruction of the Yugoslav and popular character of the Yugoslav People's Army? Of course it will, and this then implies the inauguration of several republican armies, the destruction of the idea of overall national defense, and of everything that it signifies. What would this mean? Crossing the threshold from political to more acute conflicts? What would be the consequences of this, and who will assume responsibility for it?"

Tomislav Peruncic was even sharper and more unequivocal: "The particular form and method of depoliticizing the Army is so-called 'departyization,' personified by demands that the LCY and SSOJ [League of Socialist Youth of Yugoslavia] in the JNA be disbanded as quickly as possible.

"When such talk comes from communists, the opposition—nonsocialist forces—rub their hands together and applaud, because they see in this the realization of their goals. In fact, depoliticization, the excommunication of our armed forces from social and political life, leads first and foremost to the immediate destruction of the popular character of our military, which is in the genesis of its inception. Cutting off these roots means making it non-popular and non-thinking, a subject of the ruling elite.

"Moreover, the some 75,000 members of the LCY organization in the JNA have to be asked about its abolition. This would be democratic, and their opinion would have to be appreciated as such, taking into account that the KPJ [Communist Party of Yugoslavia] played a decisive role in the founding of the JNA during the People's Liberation War."

Dusan Budimir also was unequivocal: "What sort of democracy is it that some of the others here are advocating? There are demands for the abolition of the working principle of organization. We in the Army do not accept this."

Through these unyielding positions, the generals, consciously or not, lined up behind the status quo, espousing the one-party system and the Army as a superior force over society and the state. This is because the logic with which the communist army is defended is identical to the that in the current constitution where the LCY is the leading ideological force owing to its historical merits. To be sure, Negovanovic will say "that it is in the interest of the LCY that its program and its activities be exposed to unsparing, but constructive competition. This can only sharpen the ideological-political range of vision and strengthen the active struggle, but renouncing the political monopoly of the League of Communists does not mean consenting to its withdrawal from the political scene, and even less its self-abolition." This demure consent to political pluralism is only one of the opinions on this subject, and we would say that it is around the center. Vukota Popovic, in contrast, was much more

radical and restrictive: "Yugoslavia cannot endure outside of the communist idea. This means that the basic social force for its preservation and prosperity can only be the working class (in the contemporary sense of the word) together with all patriotic forces in society. Other options have had their chance in history, and we know very well how they were taken advantage of and what the price was that we paid." In the admiral's opinion, "there must be an extremely objective assessment of what the processes of introducing pluralism and the associated further democratization of society will bring with them. Any uncritical utilization of the plans and experiences of bourgeois democracy or uncritical support for the processes unfolding in some countries with a socialist orientation could have disastrous consequences, because this would by necessity lead to interethnic confronta-tions, and even clashes. This would be the negation of the dialectic of our particular and specific conditions for further development. This is why the communists in the Army have expressed their reservations towards some experiences of multiparty democracy. Events in Novi Sad and Split and certain other places show that our reservations are justified."

Dimitrije Baucal belongs to a somewhat more liberal wing, because he says that in all the documents of the 14th Congress "there must be an affirmation of human rights and liberties, of subjectivity, and of the sovereignty of man, the citizen, and the nation of people. In accordance with this, the question of the form of political pluralism and the form of parties can be settled only in the sphere of the will of man, of the citizen, and their commitment, in this sense, would have to be to inviolably guarantee the Constitution. Therefore, even if this form of political organization shores up democratic progress in our country, the communists in the Army will have nothing against it."

Consequently, not even the Army breathes as one body and soul, it does not live under a glass bell, and all the divisions that are perceptible in society have a direct effect on the Army's composition, including, of course, its commanders. Reading that which we have quoted says more than any "clever" commentary, especially one in the style of "the truth is somewhere in the middle." Thus, instead of conclusions, we will cite a statement by Admiral Petar Simic, president of the LCY Organization Committee in the JNA, made immediately after the congress was interrupted. The statement is significant partly because some of the journalists at Sava Center talked about how Simic spoke out against lifting the blockade against Slovenia, but that rumor (?) has now been denied in the best possible way:

"In the direct preparations for the 14th Extraordinary Congress of the LCY, we anticipated this as a possible outcome of the largest assembly of communists in Yugoslavia. Unfortunately, this assessment came true. The blow inflicted on the League of Communists of Yugoslavia was a powerful one, and has led to very adverse circumstances. It is still not possible to foresee the true consequences. We need some breathing room in order to

collect ourselves and continue our work. Because of this, I regard the decision by the Working Presidency concerning a temporary interruption in the congress as logical.

"It would be superficial and reckless to lay all the blame for this step on the League of Communists of Slovenia alone. The reasons are complicated and are primarily affected by conceptual difference in the realization of social reforms and the transformation of the LCY. This has caused an ever-deeper lack of unity and a continual worsening of interethnic relations and of the way in which they are resolved. Ultimatums, blockades, pressure, and faits accomplis have never resulted in the resolution of problems between people. After all, it is not appropriate to look for culprits..."

Morina's Chances of Survival as Kosovo Party Head Assessed

90EB0202C Zagreb DANAS in Serbo-Croatian 6 Feb 90 pp 11-13

[Article by Mladen Maloca: "A Policeman in Isolation"]

[Text] At the recently held congress of Serbian communists, Rahman Morina, the Kosovo party chief, received the longest applause when he was elected as a member of the new republic party leadership. In a republic which has known how to distribute and allocate applause for the last two years, this was an open sign of support and an outpouring of satisfaction with the way in which Morina has been controlling political life in what is currently the most troubled province in Europe.

At that moment, Morina could barely restrain the satisfaction that filled him. In human terms that is easy to understand, since it was one of the few occasions in Morina's political career when he could also hear applause for his name and his work. Perhaps then, somewhere in the depths of his soul, one could also perceive a trace of triumph, precisely in front of those who received him previously with a large degree of skepticism and distrust, guided that so typical Balkan feeling for subtlety and nuance expressed in the phrase: "They are all the same!" Morina, however, had obviously passed the test of trust, discarding the burden of suspicion associated with his name, particularly among the Slavic inhabitants of Kosovo. Albanians, in fact, perceive no dilemma. They simply do not trust Morina, and a considerable number do not even conceal their anger over the way in which he is trying to solve the bloody Kosovo crisis. The booing of Albanians is a sound that often accompanies Morina's public speeches, and that is probably why he reduces them to a minimum. In such an environment the nerves of even the most psychologically stable people can give way, but it seems that nothing can bother that ice-cold policeman "temporarily working in politics," not even the hundreds and hundreds of people arrested and the dozens of demonstrators wounded or killed, so to speak, beneath his windows. Instead of that, in a few days he would tell foreign journalists, "I am not afraid of anything and I am

not giving up my ideas, because those ideas and what I am doing are for my people." Morina would unblinkingly supplement this cynicism—to put it mildly—with one more pearl from his political repertoire, which could roughly be described as "What do I care about the facts," by claiming that demonstrations by "two or even ten thousand individuals could not be identified with the people!" Finally came the "effective" point in this political logical, which is hard for any politically literate person to understand: "We," Morina stated, "have opened up democratic processes more than before... Essentially, by assuming this post, we have initiated the process of democracy, and we are not concealing that!"

By making such statements at a time when the complexity of the Kosovo events is arousing anxiety and fear among all Yugoslavs, Morina is showing that he is truly a man of a special type. His political logic is easier to compare with the political experience of certain other countries than with democratic practice in our country. That, however, appears to concern neither Morina nor those who support him, giving him reason to believe that he really is, as he emphasized himself once, a guarantee of Yugoslavism in Kosovo. In the name of that historical mission of his, he is stubbornly refusing to submit the resignation that his compatriots have demanded from him on several occasions. "That does not concern me at all," Morina told journalists a few days ago. "They (the demonstrators-author's note) cannot demand my resignation, but only the communists. You have probably heard that I was elected to head the party the second time. That is because the first time there were uncertainties here and there about whether Rahman had come in this way or that way, but the second time it was quite clear. I said that I would not head the party unless I had the full support of Kosovo communists. I did not have to leave, however, because the communists wanted me, and those who demanded my resignation are a small group, and not the people, and especially not the communists. I am not afraid to resign. I will leave when I feel and I know that it is necessary for me to go, when that is demanded by the communists. I am accountable to the Provincial Committee that elected me." That is what was said by that "guarantee of Yugoslavism in Kosovo," showing that power and its preservation are his supreme ethical and political principle. "The end justifies the means," according to the old political maxim, which not one politician with any democratic sensitivity supports; Morina, however, is still stubbornly following it. He also confirmed this last year during the Stari Trg miners' strike. At that time Morina put on a real show, demonstrating through his own example what kind of political ethics and democracy he supported. After several repetition: of the miners' demand that he leave his position as provincial party chief, Morina finally yielded, or at least seemed to. He sent the miners a brief written message in which he said that he was "profoundly shaken by the knowledge" that they were convinced that he was responsible for their health and their lives. "I know that you are making my resignation a condition for coming out of the mine. It is only because of your

demand that I am submitting my resignation." In that message, Morina said, "I have previously offered my resignation, and this time I am offering it to you." He also informed the Presidium of the Kosovo LC Provincial Committee of this. Only a few days later Rahman Morina's touching concern for the miners turned into concern for his own political survival. The miners left the shafts, and Morina stayed in his armchair, applying the so-called Ckrebic patent. According to that new ethical formula in the Yugoslav LC, a resignation is no longer binding at all, either morally or politically. The traditional Albanian population, which in spite of that logical still cherishes and adheres to traditional values, honor, and decency, could no longer comprehend the goals and reasons of their compatriot. That is how it happened that Morina was renounced by his native village, something which in the traditional Albanian milieu almost has the force of banishment in ancient cities. Those who have known Morina well for a long time were not surprised by his action and behavior. They will recall that he has a tendency toward that type of reversal, and the more malicious of them like to cite two of his interviews, from which it can be seen that his political views are capable of changing in just a few months. One analysis compiled in BORBA by Slavko Curuvija noted that in May 1988 Morina first spoke bitterly about the mass Serbian and Montenegrin demonstrations, "at which there were hostile and nationalist statements by extremist individuals, who negatively influenced the course of those events," because "those individuals actively worked to prepare and organize those rallies, which indicates their deliberate activity based on those positions, with a tendency to manipulate the masses and put themselves in the role of leaders.' Also in May, Morina added that "those individuals are acting in an uncontrolled and extremist manner, attacking the leadership at all levels, state and party bodies, the Constitution, and the system as a whole, and that "they are establishing cooperation with the bourgeois right and Serbian nationalists outside of Kosovo." Curuvija noted that in another interview in September he did not mention that subject, and only mentioned Kosovo Polje once, in the following context: "It happened that one high official demanded the Service's intervention in Kosovo Polje, but we refused. We requested that comrades from the province and the republic agree on future political courses of action, from which specific tasks would arise."

Morina's zigzag met with a sharp reaction, and so several other characteristics significant for sketching his portrait also became public. It was established that Morina loved not only his people and his armchair, but also houses, about which we have been able to read in the last few days. It was learned that Morina had illegally built a weekend cottage in Brezovica, on land moreover belonging to a Serbian peasant; a large house in the center of Pec, an apartment in Pristina, etc., have also been mentioned. Those facts did not disturb this follower of the antibureaucratic revolution a great deal, probably because in his political calculation he easily reached the conclusion that

there were few personnel like him in Kosovo itself and that the central authorities in Belgrade therefore had to rely on him. Aware that his political status could not be built or maintained through support from his countrymen, Morina began to commit himself more explicitly to the policy of the Serbian political leadership, and to distance himself even more clearly from his former friends and countrymen, especially Vllasi and Jasharijeva. To some extent that strengthened his political position in the republic, and somewhat less among Serbs and Montenegrins in Kosovo, but it did not definitely settle the question of his political fate, since by tying himself more firmly to one political pole, Morina began to lose the opportunity to become a bridge through which there could be a rapprochement and relaxation of tensions between the Albanian and Slavic inhabitants of Kosovo. The tragic outcome of last year's Albanian dissatisfaction, in which blood was shed, the adoption of a new republic constitution that many people interpreted as ending Kosovo's autonomy and turning the Albanians into second-class citizens, the trial of Azem Vllasi and others, and the seething conflicts in recent days, which are being perceived more and more as an indication of a possible civil war and the collapse of Yugoslavia, have determined Morina's place in some future history. It will be recorded that under Morina's high political auspices, for the first time in Yugoslavia people fired at demonstrators who were carrying Tito's picture and shouting the slogans "We want democracy" and "Democracy, democracy." In any other situation, Morina's actions would have been perceived as political suicide. In this state of general Yugoslav division and political passion, although it seems absurd, they have been perceived as a contribution to unity, national equality, and the democratic, legal, and legitimate resolution of the Kosovo situation. As we

approach the end of this millenium, it appears that such a reverse logic is only functioning in the mountainous Balkans, or rather, in the heads of those who are achieving their own personal and political ambitions across the backs of the people and in the name of the nation, without wondering how much it will cost us, not just temporarily, but also in the long run. The bills are being drawn up today for the multitude of young people killed and wounded, all of whom have been indiscriminately lumped together as "terrorists," while raison d'etat is also becoming a pretext to empty one's weapons at a peaceful populace, as happened in Malisevo. Morina answered the protests of a delegation from that town with surprise: "I cannot believe that something like that is possible," and "I will do everything possible to find out how that happened," but after all his reversals, who can believe him? That 47-year-old individual with an economics degree, a policeman for many years, whose face reveals a person without intellectual doubts, adroitly, and with the instinct of a veteran policeman, sensed when he had to distance himself from the former political leadership. The days ahead of us will show whether that instinct only functions in regard to others, or whether Morina realizes that his own maneuvering room in politics is being reduced more and more, and that the democracy he advocates expired in certain other squares, outside of Yugoslavia. The "no" that he uttered a few days ago shows him as less a principled politician than a member of that ideological faith and way of ruling whose foundations have collapsed under the wave of the new democratic processes. Stubbornly persevering only in his own fate, Morina is increasingly becoming a prisoner of his own political game, and driving himself into isolation, and in doing so, increasingly erasing the boundaries between Vllasi's imprisonment and Morina's freedom.

BULGARIA

Defense Minister Conducts Meeting With Military Attaches

90BA0010A Sofia NARODNA ARMIYA in Bulgarian 15 Feb 90 pp 1, 4

[Report by Major Vladi Vladkov on the meeting between Colonel General Khristo Dobrev, first deputy minister of national defense and chief of General Staff of the BNA with military attaches accredited to Bulgaria: "From Clear and Principle-Minded Positions"]

[Text] The changes in our country made possible events inconceivable only a few months ago. Hardly anyone would presume that representatives of the high leadership of the MNO [Ministry of National Defense] would gather military attaches accredited to Bulgaria, including representatives of NATO Armed Forces, and calmly give them figures on personnel, armaments, and equipment, number of various types of tactical exercises, absolute figures and percentages of the defense budget, and many other items about which we have become accustomed to think as belonging only in the secret briefcases of the generals and officers of the most important administrations and departments of the Ministry of National Defense.

However, that is what happened yesterday.

In one of the halls of the Central Club of the People's Army, Colonel General Khristo Dobrev, first deputy minister of national defense and chief of General Staff of the Bulgarian People's Army, met with the military attaches accredited to our country. The reasons were two: the recently ended seminar on military doctrines, held in Vienna and, particularly, the building of our Army in accordance with the military defense doctrine that was adopted.

Colonel General Dobrev briefly informed the military diplomats about the seminar which was held from 16 January to 5 February 1990 with delegations from the 35 countries who participated in the talks on measures to strengthen confidence and security in Europe. The chief of BNA [Bulgarian National Army] General Staff stressed the main problems discussed at the seminar: basic concepts of national military doctrines; building and structure of the Armed Forces; military activities and military training, including exercises, military personnel training, use of regulations and instructions; defining (financing) defense budgets and planning military expenditures.

The fact that for the first time in postwar European history that high-ranking military officers from many countries gathered to discuss the most important problems of the European process defines the hope of strengthening confidence and building a common European home and the success of the talks on reducing conventional armaments in Europe, the speaker stressed.

The activities of our delegation at the seminar are also of interest. BNA representatives met and held discussions with General Powell, chief of the U.S. Joint Chiefs of Staff; Admiral Porta, chief of the Italian Army General Staff; General Velidas, chief of the Greek Army General Staff; General Ajic, chief of General Staff of the Yugoslav Army; and General Touschitz, inspector general of the Austrian Army. For the first time since World War II our delegation was given the opportunity to establish contact with General Torumtay, chief of General Staff of the Turkish Armed Forces, at which meeting useful thoughts were exchanged.

Colonel General Dobrev also discussed similarities and differences among the delegates, as they became clear in the course of the seminar.

The second part of the presentation made by the BNA chief of General Staff was received with obvious interest. He stressed the main concepts of our military doctrine, organizational structure, combat strength of the Bulgarian People's Army, and its training. The Bulgarian military commander emphasized the foundation of our military doctrine: Considering the existing means of armed struggle, any war on the European continent would bring about incalculable suffering to the nations and destroy priceless achievements of material and spiritual culture. Furthermore, any European war could turn into a world war, result in the doom of civilization and turn the earth into a dead desert. That is why our military doctrine is aimed above all at the prevention of war. All contradictions and disputes among countries must be resolved not by military means but through dialogue and peaceful talks. The preservation of peace is the highest universal human value.

On this basis, the Bulgarian Government is actively participating, in accordance with its abilities, in the process of strengthening peace, confidence, and security. It has repeatedly come out with initiatives aimed at stabilizing peace, particularly in the Balkans.

Our country has no territorial claims against any other country. The Bulgarian people do not consider any other nation to be their enemy. Bulgaria threatens no one and under no circumstances would initiate military operations against anyone. Bulgaria neither produces nor stockpiles on its territory nuclear weapons or other means of mass destruction. Bulgaria sincerely strives for an agreement between the Warsaw Pact and NATO on reducing the size of armed forces and armaments and lowering military expenditures. It favors identical security at the lowest possible level of the military potentials of the blocs and countries. For example, it is worth noting that in 1989 the Bulgarian Army was unilaterally reduced by 10,000 men, 200 tanks, 200 artillery systems, 20 combat aircraft, and five naval vessels.

Colonel General Dobrev also discussed the question of the building and structure of the Bulgarian Armed Forces. In determining the size and combat structure and the organizational structure of the Armed Forces, we proceed on the basis of two principles, he said: the principle of reliable defense sufficiency and the principle of high-quality parameters.

The BNA consists of land forces, anti-aircraft and air forces, and a Navy, and units and establishments under central command. As we know, currently it amounts to 107,000 men, 214 combat aircraft, 51 combat helicopters, 105 combat and support ships, 2,000 tanks, 2,365 armored combat vehicles, and 3,790 artillery systems, as follows: 262 rocket launchers; 324 152-millimeter artillery systems; 74 130-millimeter artillery systems; 751 122-millimeter artillery systems; 18 85-millimeter guns; 191 76-millimeter guns; 24 BS-3 100-millimeter guns; and 1,526 howitzers of different calibers.

The BNA chief of General Staff spoke of the land forces, the purpose of which is to ensure the inviolability of the land boundaries and the protection of Bulgarian territory. They consist of branches and special troops and support units. Organizationally, they consist of the command of the land forces, Army large units, infantry divisions, tank brigades, territorial training centers, and military schools.

The motorized infantry divisions consist of three motorized infantry regiments and one tank regiment each. In some of the motorized infantry divisions the tank regiments will be reorganized into motorized infantry regiments and the structure of the defense components in them will be increased, such as antitank and anti-aircraft defense, engineering obstacle means, etc. As a result of this, the number of tanks in a motorized infantry division will be reduced by about one-third and that of combat and armored vehicles, from 10 to 30 percent. The staffing of the motorized infantry divisions with personnel in peacetime will be at 50 percent personnel strength. Following a successful outcome of the talks in Vienna, some motorized infantry divisions will be reorganized into motorized infantry regiments.

The motorized infantry brigades will consist of three or four motorized infantry battalions. Compared with the division organization, the number of tanks in them will be reduced by a factor of three-fourths, that of combat armored vehicles by one-half, and of artillery by a factor of 2.5.

The tank brigades consist of three tank and two motorized infantry battalions.

The BNA chief of General Staff also discussed the anti-aircraft and air forces. Their purpose is to ensure the defense and inviolability of Bulgarian air space. Their main task is to provide cover to the Army groups and basic administrative, political, and economic centers in the country. Organizationally, they are reduced to anti-aircraft and Air Force command, two anti-aircraft divisions, including aviation, anti-aircraft missile forces and support units, and a combined Air Force corps.

The purpose of the Bulgarian Navy is to defend the territorial waters and maritime borders of the country. It

consists of surface and underwater forces, antisubmarine helicopters, coastal artillery, and missile units.

Colonel General Dobrev described the military activities and training of the Armed Forces. He emphasized that they take place in accordance with the defense purpose of the military doctrine.

Command-staff exercises with the staffs of the branches of the Armed Forces, Army large units, and staffs of allied large formations and troops take place annually for six to eight days. The overall strength of the personnel participating in such exercises does not exceed 13,000, with 2,000 motor vehicles and radio stations, 30-40 airplane sorties of the reconnaissance Air Force, and as many as 100 tanks and artillery systems.

The Army command-staff exercise with local communications facilities take place annually and last six to eight days. In addition to the command of the respective Armed Forces, they involve the participation of the staffs of large and other Army units and a minimum number of subunits used in demarcating the area of combat operations.

The Army operative-tactical exercises take place on an annual basis with the participation of the command of one Army, one or two motorized infantry divisions, one tank brigade, Army large units and units, and units of the front line and Army Air Force. The duration of such exercises is eight to nine days with the participation of from 12,000 to 15,000 men, 200-300 tanks, 100-150 artillery guns artillery rocket launchers of a caliber in excess of 100 millimeters, 200-250 aircraft sorties, and 30-40 helicopters. After the enactment of the Stockholm documents on confidence and security building measures, our Army has held two such exercises ("Maritsa-88" and "Maritsa-89") about which the European countries, the United States, and Canada were informed at the proper time.

The combat training of the troops includes both individual personnel training as well as training within subunits, units, and large units. It is based on division (brigade) and regimental command-staff and tactical exercises and battalion and company tactical exercises and tactical training with fire practice.

Division (brigada) command-staff exercises take place twice annually, and last four days each. As a rule, tactical exercises with a motorized infantry division and a tank brigade take place once every two years and last six days. Motorized infantry and tank regiments have an annual tactical exercise and battalions and companies, two each. Their duration is, respectively, five, four, and three days.

In the future operative and operative-tactical exercises with the staffs of the branches of the Armed Forces and the armies will take place every second year.

Colonel General Khristo Dobrev drew the attention of those present to the military budget. He provided the following data for 1986-1989 Bulgarian military expenditures: 1986, 1.713 billion leva; 1987, 1.728 billion leva; 1988, 1.751 billion leva; and 1989, 1.605 billion leva. This shows that until 1987 such expenditures increased by 0.88 percent and in 1988, by 1.36 percent. At this point, however, it must be taken into consideration that the annual inflationary growth for that period was between 4 and 7 percent. The 1989 budget was reduced by 12 percent compared with the plan and thus defense expenditures were 8.3 percent below the 1988 level.

The dynamics of expenditures for the procurement of armaments and ordnance during that period was equally indicative: 1986, 662 million leva; 1987, 605 million leva (a nine percent drop); 1988, 646 million leva (a six percent increase); 1989, 640 million leva (a one percent decrease); and 1990, 566 million leva (a 12 percent decrease).

The bulk of the funds spent on weaponry and equipment procurements may be broken down into the purchasing of anti-aircraft and antitank defense weapons, control facilities, and support and other equipment. Thus, for example, in 1989, of the 640 million leva allocated, the following was spent: 238 million leva for aviation and anti-aircraft equipment; 180 million leva for rocket artillery; 72 million leva for control facilities; and 250 million leva for support and auxiliary equipment.

Currently we are converting the defense industry. Some of these capacities were also used in the past for the production of civilian goods. In the next few years we are planning for this amount to reach 85 percent.

Colonel General Khristo Dobrev ended by expressing the wish that closer contacts with the military attaches accredited to our country be established, so that they may become familiar with our activities in the implementation of international commitments in the area of disarmament.

This was followed by questions asked by some of the military diplomats.

Colonel Giovanni Albano, the Army, Navy, and Air attache of the Republic of Italy: What is the percentage of the military budget in the country's overall budget?

Lieutenant Colonel Orlin Marinchev: In 1986 the percentage was 8.78; it was 8.36 in 1987, 7.62 in 1988, and 6.37 in 1989.

Colonel Albano: Have you eliminated some units, brigades, divisions, etc.?

Colonel General Dobrev: Yes, some have been. We have eliminated one tank brigade and several large motorized infantry units, in order to reach a reduction of 10,000 men and the corresponding quantity of ordnance.

Colonel Oktay Tezsezen, Air and Naval attache of the Turkish Embassy: You quoted a few figures related to

the reduction of armed wings. Furthermore, you mentioned also some new armaments. I, at least, am wondering whether it is a question of any reduction or modernization of Armed Forces.

Colonel General Dobrev: The data I quoted indicate an absolute reduction in the number of ordnance and armaments at the disposal of the BNA. I did not mention the types. Unquestionably, when we reduce we do not destroy the most modern armaments. I would assume that the same applies to Turkey. But you are asking whether Bulgaria has MiG-29 aircraft. Yes, we have such aircraft and are not concealing this.

Colonel Ivan Zvegintsov, British [as published] Army, Navy, and Air attache: Your country has quite well-protected natural boundaries. Given this situation could you tell us something more about the difficulties which you are experiencing in achieving a balance between quality and defense sufficiency?

Colonel General Dobrev: We support the defense doctrine. We have no intention of taking trips into foreign territories and we intend to concentrate all the efforts of the country to guarantee the inviolability of its borders. In this respect the terrain favors us, and when we speak of sensible sufficiency we also take the topographic factor into consideration. With flat and accessible areas some types of forces are needed, while in rugged and inaccessible mountainous areas, lesser forces are required. When we determine the structure of the BNA and its quantitative and qualitative levels, we take these factors into consideration as well. The aspiration is to ensure the type of quantity and quality balance of our forces which will enable us to repel a possible aggression. You know that according to military theory you need some type of forces for offensive and other for defensive purposes.

Colonel Roland Wunder, Army, Navy, and Air attache of the GDR Embassy: Tell us something about the development of the educational agencies in the BNA.

Colonel General Dobrev: This affects the so-called depoliticization process. You know that the National Assembly adopted an amendment to Article 1, paragraphs 2 and 3 of the Bulgarian Constitution, which strengthened the leading role of the BCP [Bulgarian Communist Party]. After the deletion of this paragraph, corresponding changes had to be made in the BNA in terms of its depoliticization. What do they consist of? The disbanding of party and Komsomol organizations and their leaderships. Starting with tomorrow, 15 February, all party and Komsomol organizations in the BNA will be disbanded, and so will the political organs, such as the Main Political Administration of the Ministry of National Defense, with its subunits in the different branches, armies, divisions, and units. This morning the order was signed for the disbanding of this authority. Colonel General Mitkov will resign. A new authority is established: the Education Administration of the Ministry of National Defense, and the units under the ministry will be education departments and sections. This administration will be headed by Lieutenant General Petur lliev. The new authorities are beginning to function.

Lieutenant Colonel Hans Barske, FRG military attache: You have one territory which is restricted for us. It is in the vicinity of the Turkish border. Do you believe that now, when democracy in Bulgaria is developing, that we shall be allowed to travel throughout your beautiful country?

Colonel General Dobrev: We have no restricted territories. We have a border zone in which another traveling system applies. Even there, however, things are changing. I hope that some liberalization of this system will take place. I see no reasons to prevent you from visiting these areas in the future. This is more a question to be resolved by the Ministry of Internal Affairs. I hope that my successor, Colonel General Semerdzhiev, will make some changes in this system.

Colonel John Handley, U.S. military attache: We are obliged to inform our governments of events occurring in Bulgaria, particularly those of a military nature. Would it be possible to tell us more specifically which units have been disbanded and what equipment has been eliminated?

Colonel General Dobrev: We have disbanded the 11th tank brigade. The area of this brigade has now been converted into a warehouse for tanks to be destroyed. The reduced equipment in our country has still not been destroyed. Currently it is concentrated in bases, one of which is the area of the 11th tank brigade. If you are agreeable, we are planning later on to take you to this area and show you the concentration of tanks and the process of their destruction and retooling. The tanks are of the T-62 model. As to aircraft, we are destroying MiG-21 models. We shall also show you their destruction at the Uzundzhovo Base. As to the ships, we have made preparations to dismantle one patrol escort this year. As you know we are not obliged to provide information concerning the Navy. However, we do not intend to conceal this. The ship which will be dismantled is now being disarmed and is docked in Varna Port. ready for cutting up.

The meeting between Colonel General Khristo Dobrev and the military attaches accredited to Bulgaria took place in a businesslike and constructive atmosphere. In conclusion, both sides expressed wishes for such events to become a more frequent occurrence in future reciprocal relations.

POLAND

General Staff Academy Department Chief on New Defense Doctrine

90EP0452B Warsaw ZOLNIERZ WOLNOSCI in Polish 14 Mar 90 pp 1, 3

[Interview with Colonel Stanislaw Koziej, Chief of the Department of Operations, General Staff Academy, by Major Marek Sieniawski; place and date not given: "What Does Our Doctrine Suggest?"]

[Text] [ZOLNIERZ WOLNOSCI] The Sejm National Defense Commission came up with the initiative of appointing you a counselor. What was your response?

[Koziej] I agreed with obvious satisfaction; however, to this day the matter has not been formally settled. As a serviceman, I cannot perform such duties without the consent of my superiors.

[ZOLNIERZ WOLNOSCI] The publication of the defense doctrine of the Republic of Poland has caused many discussions on this topic in the circles of military scientists, as well as among the populace.

[Koziej] This is an important event from the point of view of shaping Polish defense awareness. Nonetheless, I believe that such discussions are necessary before the doctrine is adopted rather than after. Now, the doctrine simply has to be implemented; otherwise, all explanations and clarifications will merely amount to dispensing the truth to be believed.

[ZOLNIERZ WOLNOSCI] Do you think that few people are going to be interested in discussing the ramifications of the current doctrine?

[Koziej] The doctrine contains provisions for the present. Therefore, I propose to begin on this basis a public discussion of future Polish defense policy in a different political and military environment, one which is emerging very clearly.

[ZOLNIERZ WOLNOSCI] How do you see this future environment?

[Koziej] The present doctrine takes into account the two-bloc political and military structure of Europe, and regards a conflict between the coalitions as the primary threat to security. On the other hand, in the years to come the doctrine will have to correspond to the environment of a Europe without blocs and to the emergence of a strong German state on our Western border. We should also take into account the consequences of the eventual formation of independent nation states on our Eastern border. Defense doctine should proceed from this.

[ZOLNIERZ WOLNOSCI] In other words, independently, or in an alliance with someone against someone else?

[Koziej] We will not be able to count on ensuring our security ourselves. Likewise, entering into an alliance with one power against another is not a favorable solution for Poland because it would mean complete dependence on a mighty partner.

[ZOLNIERZ WOLNOSCI] Counting only on good will, the bonds of friendship, historical sentiments, and so on is a fallacious assumption.

[Koziej] This is borne out by the history of the world, including our history. However, an alliance formed with some states against others will not be in keeping with the spirit of the time to come. An alliance faced by someone against whom it is formed reinforces his feeling of insecurity, pushes up defense expenditures, and brings

about the arms race. Objectively, it causes security to decrease, and at a higher cost, instead of increasing it.

[ZOLNIERZ WOLNOSCI] The present doctrine refers to creating a guarantee of joint security. Perhaps, this is the best solution; however, it is too far away.

[Koziej] A system of security within the framework of a European confederation is the only model of defense which is favorable for us. It should be so designed that any attempt to disrupt the status quo would run into the resistance of all other participants in the confederation, and not just that resulting from the treaties, but directly from objective interests, particularly economic interests. In other words, the security of Poland should be solely based on our own interest but also on the interest of every other state, for example, Greece, Portugal, Great Britain, or France.

[ZOLNIERZ WOLNOSCI] However, we know from history the method of accomplished facts aimed at securing results favorable for oneself, usually by using force, or threatening to use it.

[Koziej] This is why a jointly developed model of the defense of individual states and a corresponding model of the defense doctrine will have to be in effect in a system of collective security. To this end, we should develop a method of objectivized evaluation and comparison of doctrines in order to work out a universal model of a nonaggressive defense doctrine which reinforces the feeling of security of all members of the "common European home." This is one of the most significant tasks of military sciences.

[ZOLNIERZ WOLNOSCI] Creating a model of the armed forces should take into account considerable lead times. This has always been the case. At present, our army has to undergo structural transformations. The dilemma is found in the time horizon to be accepted and the course of events to be expected.

[Koziej] We may expect that we are not going to need an army suited for fighting a large, world-scale war between alliances, or a cumbersome mammoth. In the target condition, the Polish armed forces will be a highly maneuverable army capable of acting in the air-and-ground dimension with flexible structures and smaller tactical formations and units. I believe that a brigade and corps structure will be adequate. The armed forces should also be more evenly deployed throughout the entire country and capable of operating in many directions.

[ZOLNIERZ WOLNOSCI] This is an interesting forward-looking concept. Even assuming that it is going to be adopted, it would require adequate preparation of people for such thinking and actions, as well as cost analysis.

[Koziej] As I see it, this is the task of the Academy of National Defense which is being formed. It should not be a mere mechanical combination of two military academies, but a school of cadres for a more modern and maneuverable army, implementing a futuristic defense doctrine.

[ZOLNIERZ WOLNOSCI] However, you would agree that this requires sometime.

[Koziej] This is why I think that, in view of switching to a two-year course of study at the Academy of National Defense, we could forgo this year the enlistment of students for the first year of study. This would give us an opportunity to prepare new curricula precisely. Besides, we would avoid the commissioning of a double number of graduates two years later. After all, even now there are problems with finding service positions for them. One year would be better used for creating forward-looking programs given that the political situation changes virtually every day, Germany is unifying, and the search is on for the guarantee of borders and ensuring common European security. I believe that new, stable solutions will be more necessary and, on balance, less costly than the revisions of solutions to date.

[ZOLNIERZ WOLNOSCI] Thank you for the interview.

Prioritizing Military Education: Consolidation of Efforts Viewed

Seim Commission Discusses Reductions

90EP0394A Warsaw ZOLNIERZ WOLNOSCI in Polish 19 Feb 90 pp 1, 6

[Article by Janusz B. Grochowski: "Instructors, but What Kind?]

[Text] The heavy artillery was rolled out. Deputy Jacek Szymanderski: "Training soldiers should be the concern of commanders." Deputy Jan Rokita: "The Main Directorate for Training of the Polish Armed Forces [GZW WP] and the corp of training officers should be eliminated." Deputy Bohdan Kopczynski: "Former political officers attached to brigades and larger units should be separated from service."

"On what basis," asked Gen. Arms Antoni Jasinski, deputy minister of national defense for general affairs, at the fifth meeting (February 16) of the Sejm National Defense Commission: "Should organizational changes be debated? This was the pretext for discharging politically unreliable officers during the Stalin period. After October 1956 the cadre managed to remove this from the regulations."

For Vice Admiral Piotr Kolodziejczyk, a deputy and recent chief of the GZW WP, it is obvious that changes in the armed forces' training process are necessary. "This

is because of the extensive changes occurring in the country and they are still continuing." The formal depolitization of the structure of the armed forces was introduced even prior to the 11th PZPR [Polish United Workers Party] Congress and was supported by 70 percent of the cadre. This was followed by the elimination of almost 500 party positions. Ideological themes were eliminated from the training programs. Training, in association with the nation's best traditions, should serve to shape civic attitudes, and strengthen the patriotism, discipline and morale of armed forces personnel." Deputy Szymanderski: "Armed forces morale is embarrasing." Rear Admiral Kolodziejczyk: "That is an outrageous opinion. Debating a portion of the cadre does not affect the good quality of their training. The content of civic training, which of course must harmonize with what is learned in the schools, very soon will be developed jointly with the Ministries of National Education, Culture and Art. But as is now known, the time allocated for this will be severely liminted. Schooling of officers is supposed to be reduced from 48 to 16 hours annually; for warrant officers and career noncommissioned officers, from 104 to 28 hours," Brigade General Tadeusz Jemiolo, a deputy and deputy chief of the Main School of the Polish Armed Forces: "The armed forces should not be an alternative school There is no need to school personnel on a continuing basis. Basic service personnel will receive 104 hours of schooling instead of the present 214 hours. At the same time, each unit will be able to determine on its own when and in what form schooling will be provided." In addition to substantive changes, organizational changes are also proposed, which shortly will lead to two designations: inverting the pyramid and a reduction of at least one level. This will mean a radical reduction in the number of training managers in favor of cadre working directly with armed forces personnel. The Inspectorate of Training of the Polish Armed Forces, which is supposed to replace the GZW WP, will employ 108 officers instead of the current 228. Instead of administrations, military district commands and the commands of the various services would contain training sections. The composition and organization of this corp at the lower levels is controversial. Some believe that the training officer in a regiment, batallion and company should be a deputy commander. The chief of the GZW WP: "But only there where the programming of the training process is taking place." Col Zenon Kulaga: "The training deputies should remain because I see no reason why matters concerning personnel should be treated with less concern than tehnology or supply."

Regardless which solution is accepted, the corp of training officers will be reduced substantially. Presently there are 5,234 training officers, but this will be reduced to about 3,900 officers (unfortunately, regarding the elimination of newspapers, the number of military journalists is being reduced from its old level of 170). People will have to leave. These will not necessarily be older people. The average age is about 40 years and, in addition, they are better educated. Deputy Janusz Zemke: "Only the most qualified people with the best

work records, as established by clearly defined criteria, should be retained." In addition, such people should also be accepted during the cadre review of military trainers who are to be transferred shortly.

Can the training corp be completely eliminated? There are some who propose this. General Jasinski: "With such a solution, we would be unique because such training sections exist in all armies of the world." Col Jozef Blaszczyk, a deputy: "An army by its nature does not like impetuous experiments." General Jemiolo expresses the matter frankly: "Demanding radical reforms in an army often leads to a desire for changes of some functionaries. But the restructurization is a truly deliberated concept that encompasses the entire armed forces, including its central institutions, and will be implemented shortly."

The defense of the country cannot be considered separately from the international situation. This was indicated by Gen. Arms Jozef Uzycki, chief of the general staff of the Polish armed forces and a deputy minister of national defense, in his talk on the results of the Vienna seminar on military doctrines: "The seminar did not produce any commitments or decisions. There were none. But it is important that such a meeting took place, that many questions were clarified, and that a new level was created for building trust that would facilitate making disarmament decisions more rapidly." Concerning the evaluations of Poland's defense doctrine: "After considering the comments that continue to flow in, we have an opportunity to create a doctrine that could be a model for other nations."

However, defining the doctrine will be only the basis for further deliberations, of which the most important is an answer to the question: What kind of armed forces does Poland need? In the answer, we should get rid of the concept of "we—they" and seek solutions serving to strengthen Poland.

Personnel Training Reforms Needed

90EP0394B Warsaw ZOLNIERZ WOLNOSCI in Polish 19 Feb 90 p 5

[Article by Colonel Antoni Nowak: "Training the Successors"]

[Text] It is no secret that the number of people eager to enroll in the higher officers military schools is decreasing systematically, and the recruiting campaigns are not achieving the desired results. Thus, the question arises: What are the reasons for this state of affairs? The training system? Lethe profession unattractive? Is the life of the professional soldier too arduous?

One can assume that among the above factors, the training system is the most important, and I would like to devote somewhat more attention to this matter.

The opening up of cadre training is a serious problem whose resolution could increase the flow of candidates to the military schools and the number of these candidates choosing military service as a profession.

The present system for training cadres, for example officer training, is based on officer schools and military academies. When these institutions were founded, it was believed that each service should train its own specialized cadres. Therefore, each service had to have its own school. Today they are considered to be higher schools. They turn out commanderengineers whose professional and intellectual range is of necessity narrow. In addition this training is useful only to a small extent vis-a-vis the professional needs of the national economy. This system can be characterized as closed, hermetic, highly specialized to meet the given needs of a specific service. Graduates of these military schools will always wonder if their qualifications will be useful in civilian life. In most cases, one can expect the answer to be negative. This problem is now coming to the forefront, and rather quickly, because cadres are being discharged from the armed forces as a result of the planned reduction in the armed forces.

Experience tells us that is necessary to reform the entire system for training armed forces cadres. It is essential that this specialized training of cadres in the various higher military schools be changed in favor of multifaceted training within the framework of a completely integrated system for training cadres. This requires that the training of the officers corp of the ground forces be concentrated, for example, in two schools: one specializing as a polytechnic and the other in operations and strategy. The first school, organizationally based on the Military Technical Academy, would recruit engineers having various specialties as well as commanders of units and subunits after receiving appropriate instructions in courses of several months duration and instructions in command practices. The second school would train higher ranking commanders. The pilot school and maritime school should supplement the entire system for training officer cadres.

Considering the entire problem from the economic viewpoint as well as the military viewpoint, it is worthwhile considering if it would be desirable to form a universitytype school to train historians, lawyers, economists, teachers and so forth for the armed forces.

However, in as much as the appropriate civilian schools are available where candidates for professional military service can be recruited, the above solution would be irrational. The desired results and economic effect can be achieved by increasing the number of slots in civilian schools and employing a properly motivating stipend system along with a period of professional military service and specialization that are specified beforehand.

The training of doctors who, besides specializing in civilian orientated medicine could also specialize in military medicine at an appropriately profiled Military Institute of Aviation Medicine, could be based on similar principles and motives.

It is difficult to determine today how attractive and motivating the above solutions would be. However, I am convinced that the costs of training cadres according to this model would be significantly less than the present model that is based on maintaining duplicitous school commands, teaching cadres, buildings, administrations and security services. One way of determining which would be the best system is to compare the cost per graduate using the present system and the system proposed in this article.

The cadre training problems presented above offer a perspective and are debatable. The ongoing political and economic changes in our country are affecting the armed forces, cadre training and military service. We must deal with these changes when modeling an appropriate service and training system. This process is necessary and has been verified by experience.

Methods of Establishing Ministry of Defense Budget Outlined

90EP0452A Warsaw ZOLNIERZ WOLNOSCI in Polish 9-11 Mar 90 pp 1, 3

[Interview with Colonel Stefan Stanczak, Polish General Staff, by Lt. Colonel Longin Szczerba; place and date not given: "Who Establishes the Bugget of the Ministry of Defense and How"]

[Text] [ZOLNIERZ WOLNOSCI] At present, spending for the Armed Forces is discussed publicly and without secrets However, less is known about how its amount is determined. Let us discuss this.

[Stanczak] The MON [Ministry of National Defense] budget is not drawn up arbitrarily. Its amount is closely associated with the defense policy of our state and the economic potential of our country which is expressed artificially in the national income.

The military budget of Poland in real terms has been decreasing consistently since as early as 1987, primarily due to economic considerations and also taking into account the detente tendencies emerging in the world. In 1987, the decrease was three percent, in 1988 almost seven percent, and in 1989 more than 10 percent. Thus, the real level of spending declined by more than 20 percent between 1987 and 1989.

The burden placed by defense expenditures on the national economy and society also grew smaller which is indicated by dropping the statistics of the share of MON budgetary expenditures in the national income and state budget. In 1986, such expenditures amounted to 3.6 percent of the distributed national income and 8.3 percent of the state budget whereas in 1989 these statistics stood at 2.5 percent (preliminary estimate) and 5.4 percent respectively.

[ZOLNIERZ WOLNOSCI] They have dropped. Why?

[Stanczak] Between 1987 and 1989, the main reasons for smaller MON budgets were found in reductions in the strength of the Armed Forces entailed by progressing detente in the international arena, social pressures, government decisions prompted by the poor economic condition of the country, and the effects of higher inflation than was expected, while the principle of incomplete compensation

for the increasing prices of weapons, military materiel, repair services, and investment [projects] was maintained.

[ZOLNIERZ WOLNOSCI] What amount are we looking at this year?

[Stanczak] The MON budget adopted by the government provides for spending about 11.1 billion zlotys for the Armed Forces in 1990 or, together with the reserve which remains at the disposal of the Council of Ministers—about 14.4 billion zlotys. The implementation of the budget in 1989 was the initial basis accepted for the development the MON budget for 1990. It is estimated that material tasks of the ministry will be reduced by about five percent compared to 1989.

The 1990 MON budget was prepared on the basis of prices predicted to grow before the end of the year and a uniform currency exchange rate. It is assumed that the principle of refraining from increasing the amount of budgetary funding even in the event of prices and wages higher than those of the plan will be adhered to with a view to attaining the projected budgetary equilibrium of the state.

[ZOLNIERZ WOLNOSCI] Therefore, what is the basis for calculating expenditures?

[Stanczak] The cost of operation of the Armed Forces results from a direct calculation based on the actual personnel strength of the Armed Forces, equipment, and training, maintenance, and material-consumption norms, as well as budgetary norms. The cost of operating the Armed Forces is clear. However, inflation blurs the image of the Armed Forces and distorts the cost.

At this point, we should recall that in the period between 1987 and 1989 the reduction of the MON budget in real terms outstripped the revision of material plans and the restructuring processes. During this period of time, the strength of the Armed Forces was reduced by about 13 percent.

Due to the reductions in the size of the MON budget, and given the justified maintenance of the living conditions of soldiers at a relatively stable level, it became necessary to cut back the planned procurement of weapons and materiel and to restrict expenditures for the operation of materiel by reducing the intensiveness of Armed Forces training, as well as reducing investment drastically. These trends continue in the current year as well.

[ZOLNIERZ WOLNOSCI] What is the structure of the budget going to be this year in view of the above?

[Stanczak] The planned structure is as follows (1986 statistics are given in brackets):

—57 percent (46 percent) of the overall budget consists of funding for maintaining the Armed Forces personnel (wages of the soldiers and employees of the Armed Forces, food, uniforms, medical treatment, and quarters):

- —23 percent (32 percent) of the expenditures are allocated for the procurement of weapons and materiel, and technical equipment;
- —13 percent (25 percent) of the budget will be claimed by expenditures for training the Armed Forces, operation and maintenances of the weapons and materiel, and maintenance of real estate;
- —7 percent (7 percent) will be claimed by general military construction and housing construction.

[ZOLNIERZ WOLNOSCI] That is to say, the most economical version?

[Stanczak] Yes. It was termed "the survival budget" because, apart from maintaining career military personnel and soldiers in the basic service, it will only provide for the necessary modernization of weapons, the most essential operation of materiel, and preserving the continuity of training. Therefore, this is a structure which has been shaped in the environment of shrinking MON budgets and our specific price and market situation.

These changes compel us to introduce profound streamlining and saving actions in the operation of the Armed Forces with a view to adjusting old plans for the amount of funding allocated. The principle that the intentions in the material sphere hinge on financial opportunities applies to the Armed Forces, just as it does to the entire national economy.

Therefore, the process of implementing the material plans of the Armed Forces this year is jeopardized for many reasons. According to the draft budget law, entities controlling credit may underwrite financial obligations only up to the amount of 70 percent of planned funding.

[ZOLNIERZ WOLNOSCI] This does not sound optimistic because if there is not enough money for the necessary and essential expenditures...

[Stanczak] It does not. We must also say that the management of the Armed Forces is undergoing a profound transformation this year. In turn, this transformation will require that all elements of command and economic management behave in a new manner. As far as the budget of the Armed Forces is concerned, we should be aware of the fact that it is possible to increase its purchasing power only within the military, by improving budgetary discipline, using the funds rationally, and undertaking commercial ventures.

[ZOLNIERZ WOLNOSCI] Thank you for the interview.

Military Technical Review Establishes New Format 90EP0453B Warsaw ZOLNIERZ WOLNOSCI in Polish 7 Mar 90 p 7

[Article by (bh): "On Other Pages: WOJSKOWY PRZE-GLAD TECHNICZNY"]

[Text] During the last few days of February, the first issue of WOJSKOWY PRZEGLAD TECHNICZNY for

1990 appeared. In spite of the fact that as part of a savings program the publishing cycle of the journal was changed from monthly to bimonthly, that its previous binding was simplified from a book-binding to a brochure (sewn with wire) and the cover has been reduced in quality—it is worthwhile reaching for the journal. The issue includes an article by the Main Inspector for Technology of the Polish Army on the activities of the technical services under the new economic conditions given the financial limitations on the one hand and the broad, new opportunities for unconventional activities on the other.

In a series of technical articles written for a general readership, one learns about, among other things: light rockets with plotting systems, the SU-24 bombers, the MI-28 helicopters, and also about means of masking tanks and the armament of submarines. An article about the Spectre automatic pistol is of interest not only for hobbyists. An article titled "Nuclear Power" presents a thorough analysis of nuclear and thermonuclear power and the prospects for developing these types of power generation.

Taking into consideration the difficulty of obtaining foreign journals, the editors have included several articles taken from the American journal DEFENSE SCIENCE, the Soviet journals KRYLYA RODINY and TEKHNIKA I VOORUZHENIYE, and the Austrian journal TRUP-PENDIENST. The richly illustrated report from the Paris '89 exhibition is also interesting and discusses the military aircraft at the exhibition. The regular feature on the history of technology begins a new series of articles titled "Military Vehicles of the Polish Armored Forces During the Second World War," which include documentary photographs. The reader will also find regular features [dealing with]: technological items, foreign armies, and reader suggestions. It is worth reading.

Prospects of Assisting Discharged Soldiers in Civilian Life Viewed

90EP0453A Warsaw ZOLNIERZ WOLNOSCI in Polish 6 Mar 90 p 4

[Article by Colonel Waldemar Makowiecki: "From the Work of the Council of the Ministry of National Defense for Social and Housing Affairs: How To Help Those Discharged"]

[Text] The prospects and capacity for giving aid to professional soldiers and military employees in conjunction with the transformation of the armed forces, the evaluation of the participation of the military agricultural and animal-husbandry system in easing the market and supply difficulties of the military community and some selected questions concerning worker garden plots were the main points of the recent meeting of the Presidium of the Council of the Ministry of National Defense for Social and Housing Affairs.

In accord with the binding law and the actual capability of the Ministry of National Defense, personnel from the dissolved or restructured units are being offered, among other things, new service posts in other units and posts; retraining courses for new military specializations are being organized; participation in civilian occupational training programs is being made available; courses preparing them for work outside of the military are being offered; or they are being placed on temporary lists in order to permit them to continue in the military.

A guide prepared by the Personnel Department of the Ministry of National Defense for professional soldiers in the units affected by restructuring may prove helpful in making a decision. It contains basic information concerning further military service, rights and benefits due in conjunction with release to the reserves, and help from the military in adapting to civilian life. But the reports coming in indicate that in spite of previous agreements with other ministries, officers released from the army with high qualifications are encountering difficulties in finding employment.

As regards help for military employees, they are being offered work in other units depending on the personnel situation. If there are no opportunities, the national regulations in the law on employment and the law on special principles for dismissing employees are invoked.

Concerning the current condition of the military agricultural system and its production, it has been stated that, as regards the capacity and the needs, it ensures coverage for the military community, which takes on particular importance when the supplies, especially of meat, are short.

Many have raised questions about whether the future operation of the agricultural system in the military serves any useful purpose in conjunction with the new economic conditions. The prevailing opinion is that its tasks, given the current uncertain market, support retaining the system. However, given the changing economic philosophy, the economics of costs and benefits—rationality and profitability—as well as the benefits for the military community (lower prices for products and meals) will surely determine its continued existence.

Analyzing the opportunities for increasing the number of employee-worked plots, it has been noted that they are increasingly limited, especially at the Warsaw posts and other large cities. Nevertheless, it has been decided that they have not been completely exhausted. Thus, military lands should be examined with a view for use as garden plots. However, in conjunction with the limitation of investment in plots from the budget of the Ministry of National Defense, it is necessary to find other ways to provide financial support and to consider having those concerned themselves bear a greater portion of the costs.

Commenting on the problems taken up during the discussion, Gen Arms Dr Antoni Jasinski, deputy minister for general affairs, deputy minister of national affairs, devoted most attention to the use of the personnel released by the dissolved and restructured units. He emphasized that it is essential to balance the number of free positions throughout the military forces (among things taking into account the protection of young, competent officers) and to coordinate efforts in this

direction under the plenipotentiary for affairs associated with released soldiers of the Personnel Department of the Ministry of National Defense. He noted, however, that the majority of the retraining courses for new military specialties and for civilian work should be organized using local resources and the value of an exact determination of the needs in these areas.

During the meeting it was announced that as a result of an agreement on joint action and cooperation, the Ministry of National Defense and the Union of Former Professional Soldiers plan to form a group for affairs of military retirees and pensioners under Council of the Ministry of National Defense for Social and Housing Affairs.

CZECHOSLOVAKIA

Minister of Finance on Federal Budget, Economic Reform

90CH0023A Bratislava PRAVDA in Slovak 28 Mar 90 p 7

[Interview with CSSR Minister of Finance Vaclav Klaus by Tatiana Repkova; place and date not given: "If Not With a Shock, Then How?"—first paragraph PRAVDA introduction]

[Text] This year on several occasions, most recently on 26 February, we mentioned in PRAVDA a new book issued by the Alfa publishing company "From Deficit to Surplus—From Isolation to Convertibility," in which its authors, Eng Stefan Dolak and Eng Jozef Trojak, ScC, offer a plan for our transition to market economy. Because it is based on an entirely different order of steps than the one proposed and already implemented by the center, we requested CSSR Minister of Finance Vaclav Klaus to express his view on some of those proposals as well as to answer some other timely questions.

[PRAVDA] In your opinion, the post-inflationary character of our state budget for the current year should start primarily with cost-cutting in subsidies of retail prices, food, fuels, travel costs, rents..., as you recently stated in HOSPODARSKE NOVINY, where you added that if we do not decide to take those steps, it is obvious that you would have to resign as minister of finances. However, the report on the situation and development of the Czechoslovak federation presented to the Federal Assembly by CSSR Premier Marian Calfa rejected any premature visions of a price shock in the form of abolition of negative sales taxes and one-time price increases. How should we interpret from this new perspective what you mean about your possible resignation?

[Klaus] Let us not discuss any resignation. Our state budget in its current surplus variant has reduced several expenditures, but these have not been drastic actions; this agrees in principle with the views expressed in the aforementioned report presented by the CSSR premier. Although I am no advocate of shock therapy, I do think that since we have started on the road of economic transition toward a market system, we should not dawdle. One step presupposes other steps; every slow-down only means an unnecessary waste of energy. I do not consider it possible to help implement measures that would be instantly negated by our unwillingness or inability to proceed at the same pace. This is one of the notorious cases where having said 'A,' we must say B' as well.

[PRAVDA] The deputies in the Federal Assembly are aware that when they approve our state budget for the current year they should also approve the abolition of retail price subsidies. Nevertheless, so far no one could explain how to compensate people for higher living costs.

[Klaus] As for retail price subsidies paid from the budget, our main objective is to achieve realistic price relations in consumer markets without endangering consumption. This would in part help resolve problems caused by the devaluation of the koruna against the freely convertible currencies. In this instance it is not an attempt to reduce budget expenditures by abolishing subsidies. Issues concerning methods to compensate consumers are undergoing thorough analyses, and feasible standard solutions are being sought which protect the interests of our low-income citizens.

[PRAVDA] Furthermore, in his aforementioned report the CSSR premier stated that it is a far more knotty problem to remedy our existing value relations, which "cannot consist of simple cancellations of subsidies and price adjustments to existing costs and new tax rates." What then will come first: the price reform aimed at the achievement of world price relations, or cancellation of subsidies to retail prices?

[Klaus] The answer to this question is linked with my preceding answer. To come closer to world price relations would imply to some extent the already considered cancellation of retail price subsidies. In the future the following steps would mean a more explicit movement of our prices in the direction toward world prices. However, this question should not be taken literally. We may really come close to world prices only after partial or total liberalization of prices, while respecting local specifics and as well as areas protected by the government.

[PRAVDA] Why is it that our new government of experts, whose nomination we have all so enthusiastically welcomed, cannot agree on essential issues concerning the economic reform process? Could it be that although it may be aware of its goals it cannot decide what to do first and what to tackle later on?

[Klaus] I think that the problem of controversies is needlessly exaggerated. The government should represent a tightly knit team, but there was not enough time to accomplish that. By this I do not mean an achievement of unity that was postulated in the past but that led nowhere; the objective now is to find effective work methods which under the current stress of time would help us reach joint solutions and enforce them equally thoroughly in every area. From this point of view, for instance, the objective of budgetary cuts should not be understood solely as a task for the Ministry of Finance. Sectoral ministries should be concerned about contributing in a meaningful way to the fulfillment of this goal, if the government approves it as one of the methods for a successful reform process.

[PRAVDA] What measures and which process does the government anticipate for the next three to five years? Marian Calfa spoke in the Federal Assembly of four steps but did not mention their time table.

[Klaus] The five-year plans in our country are history. Undoubtedly, certain ideas about schedules exist here, but much will depend on the ability of our economic

subjects to adapt themselves to the newly introduced regulations and to the new situation. Furthermore, of essential importance will be the our government's ability to react flexibly and to organize the development sensitively.

[PRAVDA] Could you characterize the aforementioned four steps in a more specific way, especially as regards their interrelations?

[Klaus]

[PRAVDA] Dolak and Trojak, the authors of the recently published book "From Deficit to Surplus—From Isolation to Convertibility," suggest that the very first step toward a market economy should be a comprehensive price reform in order to achieve world price relations. By the same token, to encourage entrepreneurship, they propose to cut the enterprise taxes on profits up to 30 percent as compared with the current rate of up to 65 percent. Do you think that it would be realistic to take this step already this year or in 1991?

[Klaus] To reduce taxes on profits of enterprises at this time would mean the exact opposite of what the newly proposed surplus budget intends. I agree that once an atmosphere of real entrepreneurship is created and enterprises operate under the conditions of foreign and domestic competition, then the question of taxes on profits must be radically reappraised. Nevertheless, at present this question is irrelevant. It is expected that in accordance with the long-range objectives of our reform process, the Czechoslovak tax system will undergo fundamental changes before 1992. They will include, among other things, the transition from the sales tax to the value added tax.

[PRAVDA] To avoid direct and indirect price increases and to prevent enterprises from removing cheap but essential goods from their production plans, according to the Dolak-Trojak team they should follow another measure—surcharges to the tax on profits which the enterprises would gain by raising prices. However, in his reply to this question in HOSPODARSKE NOVINY, Ladislav Dvorak, the minister appointed to oversee the Federal Price Bureau, referred basically only to the validity of a new price announcement which "stipulates the price-setting method," and to the draft of the price law. What do you think about it?

[Klaus]

[PRAVDA] It is estimated that this year alone the negative impact on our economy due to the devaluation of our koruna vis-a-vis hard currencies will be Kcs 1.7 billion. Can you confirm this information or give us some details? Was this impact taken into consideration already when this decision was approved?

[Klaus]

[PRAVDA] If a higher hard currency exchange rate for tourists is introduced, it should help curb the black market with hard currency and give equal opportunities to our citizens traveling in the West. Instead, in the first two months of non-visa contacts our citizens illegally exported about Kcs 500 million which they exchanged in Austrian banks far below the official exchange rate. Would it not be better to reintroduce customs duties? After all, while our domestic products are subject to high sales tax rates, from trips abroad they may be brought in without taxes and without customs duties. If our citizen is willing to pay two or three times higher rates for foreign currency in order to make such purchases, he can afford to pay customs duty just as well.

[Klaus] Stricter customs regulations and their scrupulous observation are approaches I have stressed as necessary measures immediately after the devaluation of the koruna. In this respect our government has already taken several steps. A significant part of private imports by our citizens are also made because many goods, particularly consumer electronics, are either not available at all in our domestic market or are in a very short supply. Consumers are willing to make quite extraordinary efforts to get such goods. This situation may be partly resolved by higher imports of popular items. The funds for such imports have already been allocated; the enrichment of the market with industrial goods will fully agree with our approaches to the solution of foreign economic problems as well as to the fulfillment of the long-term objectives of our economic policies.

[Interviewer's note] If you were surprised that instead of some answers we used only "....", we should like to inform you that this was not due to censorship. The minister replied to us in writing; according to his aide, Vaclav Klaus did not respond to certain questions because he regarded them either as "redundant," or irrelevant, or because they would require long explanations.

Recently Premier Marian Calfa said to the press: "Democracy is not a street demonstration, it is a serious matter." In the interest of fairness to our readers, in the end we decided to publish in full also questions to which no answers were given.

(Of course, we had interviewed V. Klaus before yester-day's discussions in the CSSR Federal Assembly.)

Future of Agricultural Sector Considered

90EC0373A Prague LIDOVE NOVINY in Czech 14 Feb 90 p 2

[Article by Karel Brychta: "The Sins of Large-Scale Production"]

[Text] In the past, our farmers managed to harmoniously reconcile economy with ecology. Had it been otherwise, they would have hurt their descendants. For centuries agriculture displaced the old relative ecological balance and created a new one in constant, continual flux. The new balance was sometimes more balanced than the original. We need recall only the Trebonice fish ponds, the work of Krcin. Crop rotation and the culture of small

country villages enabled fauna to live, which repaid the farmer for his sensitive attitude toward nature. Wind and water erosion were minimalized, thanks to the diversity of crops, a supply of divergent grasses, and also thanks to natural and man-made terraces and hedges, which later vanished from the region for the sake of excessive concentration of land.

That which played out in our countryside in later years led us very quickly into ecological disharmony. Raising the concentration of livestock and increasing the size of fields sown with only one crop are beneficial only to a certain extent. In most cases this limit was exceeded. Expenditures for transport and depreciation rose while direct labor expenditures did not fall. A megalomaniacal monster had been created. Let us consider just the example of the large-capacity calf stables. Economic return on resources invested in them by the end of the 70's was for the most part not to be seen. Labor savings were negligible or non-existent, but outlays rose for transportation of calves and primarily for transport of feed and manure. These were not regarded as veterinary problems at all. Estimates for official use were put in the form in which the political authority wanted to see them. Dominant was the theory of industrializing agriculture, from which arose the political-technocratic delusion: the bigger, the better. The workers of agricultural praxis do not bear the blame. They were pressured to an unbearable degree by subsidy policies and no alternative solutions had been devised. Rational positions invited a war of nerves with ideologized science and pseudo-policy.

Excessive concentration exists in agriculture today; working with the land and nature has become, unforgivably, an anachronism. The economic losses to which this has led are immense. But the ecological misdeeds are perhaps not irreversible. High concentrations of livestock taxes nature heavily with wastes from production and pointless transportation; developing the land lead to increased erosion.

This does not concern only history. The megalomaniacal developments have incredible inertia, which is aided by an automatic system of direction and decisionmaking. While pressure from the center has abated, many agricultural workers have acquired a definite habit and deformed thought processes. Fortunately, the first swallows of the new measures are appearing. Inspiration can also be found abroad. The experiences of western European agriculture demonstrate that there as well unfavorable ecological development has transpired, even if not in such drastic measure as here. Private ownership arrests the process of concentration. Even where there are large units of ownership, the agricultural entrepreneur concentrates production only to the extent that is economically desirable. The owner of the land has an interest in keeping it in a state of ecological balance; this, and the natural fertility of the soil, determines its value.

It is not a matter only of concentration, but of maintaining an appropriate crop rotation and reasonable

grass growing and grazing. Of well thought-out agrotechnology, which would minimize or completely eliminate the need for chemical protection of crops. In the FRG today there are ecofarms, which with their particular means of management, have thus far avoided the familiar ecological trespasses. It is a matter of a revival of the norms of traditional agriculture.

A certain return is unavoidable even in our agriculture. It will not happen without changes in the productive arrangements and a definite revival of classical conditions of ownership. The present day Standard Farming Cooperatives will be noticeably transformed from today's semi-state organizations into truly voluntary associations of landowners who stay with them only as long as it suits them. It is possible that the contemporary gigantic units will be divided into smaller associations using former villages or settlements as a base, or into simple cooperative groups of several farmers. It would be politically infeasible and economically and ecologically undesirable to prevent entrepreneurial land owners from asserting completely independent management. At first there perhaps will not be many of them before enough appropriate technical means appear on the domestic market. But it is necessary to count on them as well. For the economic and especially for the ecological reasons mentioned above, all tendencies toward decentralization and deconcentration must be welcomed.

HUNGARY

Commodities Exchange To Be Established in Szentes

90CH0007C Budapest NEPSZABADSAG in Hungarian 20 Feb 90 p 10

[MTI report]

[Text] At the beginning of May, a commodities exchange will begin operating in Szentes, Csongrad County's famous vegetable producing center. As was explained at the press conference held by its organizers, the small producers of the region have had enough of being at the mercy of the monopolistic wholesalers and the trade sector. The commodities exchange will be housed in the town's garrison club. Eligible for membership will be all producers and entrepreneurs who are willing to register and pay the annual membership fee of 1,000 forints for private individuals, and 10,000 forints for businesses.

Automotive Industry Said on Verge of Collapse

Csepel Auto Problems Reported

90CH0006A Budapest NEPSZAVA in Hungarian 13 Feb 90 p 7

[MTI report: "Csepel Auto Seeks New Ways"]

[Text] According to Csaba Kosaras, deputy general manager of the Csepel Auto Factory, we need to reassess the

fate of the government-created and now abandoned vertical vehicle industry production structure, and within it, the future of the Csepel Auto Factory: Bus manufacturing in Hungary has developed in accordance with CEMA's production specialization program, and has been geared toward meeting the needs of the Soviet Union. In this situation, the Csepel Auto Factory has served as one of Ikarus' subcontractors without, or with only very limited, entrepreneurial freedoms or market prospects that might have affected past expansions.

Wishing to change, or at least to limit Csepel Auto's subcontractor role in the future, the managers of the embattled enterprise are exploring the possibility of dealing independently with the capitalist markets, and are also prepared, if necessary, to broaden their manufacturing profile, maybe even to include the production of limited series or perhaps unique types of agricultural or slow-moving vehicles. As a result of the incorporation of Ikarus' Budapest and Szekesfehervar plants, it is expected that these new corporations will eventually be competing in a genuine bus market.

Ikarus-Csepel Joint Problems

90CH0006B Budapest NEPSZABADSAG in Hungarian 16 Feb 90 pp 1, 4

[MTI report: "Ikarus Stalled, Csepel Stops Short: The First Shaken Domino"]

[Text] As a result of the halting of socialist exports, and their item-by-item relicensing, Ikarus is unable to meet its delivery commitments to the Soviet Union and the GDR. (The agreements signed last year were authorized by the Ministry of Trade.) Aware of all this, its several hundred subcontractors, including first of all Raba and Csepel Auto, have begun to request advance payment guarantees from Ikarus and the banks to ensure funding for the manufacturing of bus elements and subcomponents. Having not received such guarantees, they have halted the production of bus elements, and have indefinitely suspended all deliveries to the bus factory. Imre Pona, Ikarus' deputy general manager for marketing, also pointed out that while they did owe Csepel Auto 1 billion forints, such arrears were not uncommon if we consider that this was approximately how much they have been paying for subcomponents every month, with payments made within one to four weeks. According to the deputy general manager, it was the imposition of administrative restraints that upset cooperation among the partners, and not the default in payment referred to earlier. Incidentally, Ikarus is also standing in line to collect from its customers.

By Friday, the night shift will work reduced hours, and starting Friday, operations at all Ikarus factories and subsidiaries will cease, with more than 10,000 people to be told not to show up for work. Just how long this idleness will last—20, 30, 50 days?—the factory management does not know. They can still expect some intense debates with the union, but they have already agreed

with the workers to pay them so-called idle time compensation for the duration of the stoppage in the amount of 80 percent of their wages.

As a result of the stoppage, the factory will also be unable to fill its Western orders, hence it can also expect to have to pay sizable penalties.

Ikarus' insolvency has had a domino effect on the enterprises of the vertical vehicle manufacturing system and its subcontractors. This is how Csepel Auto has been forced into a position where it is unable to continue to finance production on credit. As a result, more than 600 of its workers have been laid off. The vehicle manufacturing division has stopped operations; the parts manufacturing plants and factory divisions are still operating, but only at partial capacity. As one of the conditions of continued contractual cooperation, the Csepel Auto Factory has requested that the Hungarian Credit Bank guarantee payment for Ikarus' orders.

Analysis of Manufacturing Situation

90CH0006C Budapest NEPSZABADSAG in Hungarian 17 Feb 90 pp 1, 8

[Unattributed article: "The Final Days of Vehicle Manufacturing?"]

[Text] The Hungarian economy will face its own St. Bartholomew's massacre if we restrict socialist exports, an economic expert warned in concluding his presentation a few years ago. His comment which once was intended as a joke has since become reality, according to Thursday's evening news.

The Ministry of Trade, since then, has withdrawn Ikarus' export license. Having gotten wind of this, Csepel and Raba immediately suspended all parts deliveries. The resulting shortage of chassis, engines, and running gears, of course, has affected orders not only from the Soviet Union and the GDR, but also from the West. Hence the whole factory has been paralyzed.

What we saw on Friday morning did not confirm the reports in the news, for as we entered the Matyasfold plant we were received by the unmistakable rumble and noise of factory work. Looking around on the assembly floor among the bear chassis and half-assembled vehicle frames we could see workers, some of whom were looking busy while others, keeping with the good old East European custom, were standing around by the snack bar. In another plant, however, we found several abandoned assembly jigs. As we found out later, the so-called serial production line has been hit by a parts shortage which meant that, with the exception of the 150-member limited partnership, manufacturing unique vehicles, for 10,000 employees this was the last shift on the job for the time being. On Friday, the workers were still assembling the remaining components, but as soon as they run out of basic materials, the crews will stop working one after the other.

"What the country needs is a 20- to 30-percent reduction in exports; that would be something which Ikarus could also support," says marketing director Imre Bona, as we begin our conversation. "In the past two years, our factory has already cut its deliveries to the Soviet Union by half, and there has been a significant increase in the number of vehicles for which the Soviet partner pays in dollars. The factory, therefore, wants to, and is able to, change its production structure," continued the marketing director. Then he went on to add that while it was one thing to have to accept that of the first quarter deliveries approved in December the ministry is now allowing only half to materialize, it was downright unfair that they have refused to even comment on their plans for the second quarter. Given the factory's current situation it appears somewhat comical that as they are gradually withdrawal from the Soviet market, they are visited weekly by Western firms who want to use Ikarus to gain access to that market. In any case, starting Monday, they will be paying their workers idle time while waiting for a decision from the government or their parts suppliers. They have sufficient financial reserves to weather several weeks of waiting if necessary; this, however, could entail incalculable consequences. since Ikarus' production loss would, directly or indirectly, affect some 400 Hungarian enterprises and about 150,000 workers.

In our conversation yesterday afternoon with Marton Geiger, marketing director of the Csepel Auto Factory, we were only able to get a one-sentence reply to our question about what would happen to their Szigetszent-miklos plant now that Ikarus has halted production. And that ominous sentence was this: "Next week, we will stop production too." The enterprise managers are now conferring day and night.

The general manager's secretariat did reveal that while the discussions are not closely connected with the closing of the neighboring fort, they are discussing and making decisions about some historic issues. Hence, at this point we cannot do much more than simply repeat to our readers some of the facts that are already more or less known from the press.

The enterprise can no longer finance production on credit, hence they have been forced to lay off more than 600 workers, a number which by 26 February is expected to increase to 1,000.

Vehicle production has ceased; the parts manufacturing plants and factory divisions are still operating, but only at partial capacity. As one of the conditions of continued contractual cooperation, the Csepel Auto Factory has requested that the Hungarian Credit Bank guarantee payment for Ikarus' orders.

At the end of January, the factory had already stopped production once for two days. Just how long the current stoppage will last today is still difficult to predict.

Deputy Finance Minister on Fledgling Stock Exchange

90CH0036A Budapest MAGYAR HIRLAP in Hungarian 27 Feb 90 p 5

[Interview with Zsigmond Jarai, deputy minister of finance, by correspondent Karoly Csabai; place and date not given: "Zsigmond Jarai Will Not Assume the Directorship; Hungarian Stock Exchange Under Reconstruction"]

[Text] Close to half a century after its forced closing, the Hungarian stock exchange will again be able to operate starting the first of March. However, its director will not be Zsigmond Jarai, the current deputy minister of finance. We talked with him about the prospects created by the stock law which goes into effect on the first of March and about the individual who may head the exchange.

[Jarai] The exchange will not be created by the law in and of itself, but it is still a very important prerequisite for the exchange. On a genuine exchange there is demand for stocks, other parties want to sell, and buying and selling are directed in a coordinated manner. This is something we still have to wait for. On the other hand, in my opinion correct and above-board privatization is indispensable, and during the course of this a number of enterprises will be restructured as share corporations and will start trading their stock publicly on the exchange, giving each and every Hungarian citizen an equal opportunity to buy. Of course, people will only buy stocks if they have confidence in the future of the country and in economic and political stability. Besides this, the government must stimulate demand for stocks by various methods: by purchasing on the installment plan, by tax cuts, and by granting discounts for employees.

[MAGYAR HIRLAP] And who should the stock dealers be: the banks or institutions which are independent of the banks?

[Jarai] If the banks are active in the exchange, then there will be sufficient money, a built-in network, and a corresponding level of expertise. But in the countries where only the banks deal in stocks, there are no developed stock markets because the banks "kill" them, and they aren't interested in the boom. This is true firstly because everyone is competing for the investors' money, and secondly because the banks lean strongly toward purchasing the best stocks. That is why here in Hungary there will be a three-year transition period in which the law will force the banks to establish independent institutions in which the funds will be kept separate.

[MAGYAR HIRLAP] What will the Hungarian world of stocks be like—similar to those of Western countries, or a unique "Hungarian-style" stock market?

[Jarai] We have selected the type of stock market system which will be used throughout all of Europe after 1992

and in the United States and Japan, too. On the Hungarian exchange the authorized brokers will personally conclude the deals, and prices will be totally free to seek their own levels. During the time when the volume of trade is small, this system will be able to function extremely well. The second solution would be a computerized system, and they use this on the London exchange. However, here in Hungary we are not technically ready for that.

[MAGYAR HIRLAP] Where will the brokers be able to conclude their deals?

[Jarai] At the Budapest Bank and the State Development Institute, in its Ferenc Deak Street building in the so-called carpeted hall. The hall is being reconstructed now and may even be open by mid-year.

[MAGYAR HIRLAP] What will be the legal standing of the exchange, who can be members of it, and what will the State Stock Administration keep an eye on?

[Jarai] Legally, the position of the exchange is pretty peculiar. In practice, it is a type of corporation being established by the stock law, and so neither the regulations pertaining to limited liability corporations nor share corporations apply to it. It is an independent institution, not an organization financed by the state budget. At the same time, it is not a profit-oriented corporation; a portion of its income will be taken from charges on stock listed on the exchange, and another portion will be taken from membership fees and moneys paid following exchange trading. It will use these to finance maintenance of the hall, computer operations, and its expenses in general. Any limited liability corporation or share corporation that can deal in stocks can be a member of the exchange.

[MAGYAR HIRLAP] And who can be a stock broker?

[Jarai] The law ties various stipulations to obtaining the permit for that. The most important is expertise, practical financial experience. In addition to this, an examination must be taken which the stock administration and the exchange will put together jointly. And it is still important for the individual to have good character credentials and suitable information about the companies. The State Stock Administration will issue the licenses. The administration's duty is to protect the investors from risks stemming from swindling, spurious information, and misleading the investors. It will also have the task of maintaining integrity in stock trading and weeding out stock manipulation.

[MAGYAR HIRLAP] Who will be the leader of this body?

[Jarai] As it is envisioned now, the administration will come under the authority of the Ministry of Finance. And we have proposed one particular individual, but the government will make the final decision. Our nominee is Zoltan Pacsi, who, as director of the stock department at

the State Bank Administration, has picked up a great deal of expertise in this area.

[MAGYAR HIRLAP] Staying on the subject of particular individuals, many people are keeping you in mind as future chairman of the Hungarian stock exchange.

[Jarai] Generally, the chairman of the exchange is elected from among the members, although no rule states that an outside individual couldn't be the one. Starting the first of March, an intent of membership can be submitted, and after that the chairman of the exchange will be elected. I still do not know where I will be working in the future, but I do not believe it is likely that I will be head of the exchange. Even if they elect me, I will not serve.

Volkswagen Audi Expansion to Hungary Viewed

90CH0007A Budapest NEPSZABADSAG in Hungarian 20 Feb 90 p 1

[Article by Sandor Gyori: "Audi Prepared To Come to Hungary"]

[Text] Ferdinand Piech, chairman of the board of the Volkswagen concern's Audi Works subsidiary, recently made a sensational announcement.

In an interview published in Monday's edition of the daily AUGSBURGER ALLGEMEINE, Piech revealed that Audi was looking around Europe to find a location for its new engine manufacturing plant. Of the 90 offers it has received to date, according to the interview, Eastern Europe appeals the most to Audi. Specifically, Piech had mentioned three countries within this region: the GDR, Czechoslovakia, and Hungary.

The only problem with the GDR is that the parent company, Volkswagen Works, has also begun to make significant investments there. In Czechoslovakia it was only recently that the establishment of companies with foreign participation really began to gain ground. Although all three of these countries have an equal chance, the chairman of Audi revealed that Hungary was the first they have contacted about the idea.

Making a comparison he pointed out that it was not only cost-related considerations that made Hungary more attractive than Common Market member Portugal, which because of its low wage levels has always been a favorite location for West German investors. In Hungary, they had no problems reading German blueprints, while in Fortugal they needed translators. Compared with the FRG, the idea of building cars in Eastern Europe is also supported by the fact that "there no one asks whether or not it is proper to produce on Saturdays and Sundays."

The new plant to be built will have 2,000 employees, and it is expected to be completed by 1994. This means that the decision about the location will be made this year.

POLAND

Danish Chemical, Food Processing Firms 'Interested' in Polish Market

90EP0461A Warsaw ZYCIE WARSZAWY in Polish 15 Feb 90 p 2

[Interview with Michal Morawski, representative of the firm Niro Atomizer, by W. Kiss-Orski; place and date not given: "Closer to Denmark"]

[Text] [ZYCIE WARSZAWY] 19 to 24 February, in Warsaw, Krakow and Gdansk, will be Danish Engineering Days. Over 60 firms will be represented here, for the first time on such a large scale. What has induced the Danes to come to Poland?

[Michal Morawski] Without a doubt the economic liberalization and the greater possibilities of gaining another market. Denmark, which is a small country, has too small a domestic market to produce for it only. The basic question, therefore, is export.

The firms were selected so as to show what would be of the greatest interest at this time to the Poles, e.g., food processing, pollution control, telecommunications. I think that cooperation with Danish firms will satisfy those who are looking with anxiety at the strong pressure of German capital on the Polish market.

The "days" were organized by the Federation of Danish Industry (under the sponsorship of Anne Birgitte Lundholt, Denmark's minister of industry and trade), together with the Polish Chamber of Foreign Trade and the Chief Technical Organization. During these days seminars will be conducted during which our lecturers will present the latest achievements of the Danish economy.

[ZYCIE WARSZAWY] What does your firm do?

[Morawski] We produce machines for drying food and chemical articles. The list covers a few thousand items, from milk to chemicals and medicines. Niro Atomizer has been in Poland for 30 years and our equipment is operating in approximately 100 plants and scientific institutions. In January 1990 we signed a contract for the construction of the first whey processing line in Poland, in Suwalki. In the past, whey was dumped into sewers, thereby dangerously polluting them. Yet everywhere whey is used in the production of protein, indispensable in infants' formulas. The factory will be completed this year.

[ZYCIE WARSZAWY] How does one trade with Poland, which has no money?

[Morawski] When we entered the market we knew that we would have trouble finding a partner with a large amount of cash, therefore our offer also provided for low interest credit. We are collaborating with the Dairy Apparatus Factory, which makes part of the equipment according to our designs, which also greatly reduces the

cost of implementing the investment. May I add that Niro is also getting ready to modernize all of its equipment operating in Poland.

Economic Council on Recent Developments in Agricultural Market

90EP0460B Warsaw RZECZPOSPOLITA in Polish 15 Feb 90 p 2

[Article by Antoni Leopold and Andrzej Kwiecinski: "Unstable"]

[Text] We are publishing excerpts from an interesting study which was prepared for the meeting of the Economic Council held on 10 February.

The situation in the agricultural sector is not stable yet. Disorder in the levels and proportions of prices makes it difficult to discern trends in the field of production and supply of farm goods. Procrastination and refraining from making decisions is still prevalent among the farmers and the economic entities rendering services to agriculture. However, the following phenomena may be noted:

Since November, a considerable decline in hog breeding has become clearly apparent. A decline in the supply of hogs for slaughter may occur as early as June of this year. This decline will exacerbate, and in the first quarter of 1991 will certainly exceed 30 percent compared to the first quarter of 1989. It may be assumed that the equilibrium of demand and supply will last until the end of the third quarter of the year. The eventual marked decline in the supply of hogs for slaughter combined with a leveling off of the demand for meat may occur in the fourth quarter of this year, which can result in the renewed growth of prices.

In January, a pronounced increase in the number and share of cows in cattle procurement occurred. The price for good-grade cattle for slaughter is 1,500 zlotys lower than the price of hogs for slaughter—up to 6,000 zlotys per kilogram. Combined with the low price for milk (below that for wheat), the prices for slaughter cattle depress cattle breeding. The supply of calves and cows in the spring will be an indicator of the trend.

The situation in the dairy sector may be described as being considerably more difficult than in cattle management. In principle, milk producers do not have an alternative to sales to the local dairy plant. The farms with a greater number of cows are particularly dependent. The increased self sufficiency of the rural populace (combined with the use of milk for calves) is one sign of adjustment on the part of farmers. The purchasing of milk is not restricted; however, low procurement prices which are highly differentiated among regions are maintained. The pressure from farmer-cooperative members for increasing procurement prices combined with the apparent demand barrier to the growth of retail prices may bring about the financial collapse of many dairy cooperatives.

The situation of milk producers and dairy cooperatives will deteriorate considerably in June and July because during this period the supply of milk is, as a rule, 70 to 80 percent higher than in February.

Until mid-January, the procurement prices for grains grew rapidly (an increase of 100 percent compared to mid-December); subsequently, the prices stabilized. These prices are approximately two times lower than those of imported grains. Higher prices for grains may increase their supply which would be desirable for meeting the needs of the country but would reduce the profit margin of animal husbandry.

Increased prices for mineral fertilizers (despite the preservation of subsidies) reduced their sales through gmina warehouses up to their entire discontinuation in some regions. The farmers are organizing the direct delivery of fertilizer from the plants in order to avoid the middlemen and their commissions; however, this will definitely not replace the normal channels of fertilizer distribution. It may be expected that many farms have their own stocks of fertilizer (as well as coal, fodder, and diesel fuel) from their purchases last year. Combined with better allocation of fertilizer purchased this year, this will alleviate the negative consequences of a decline in fertilizer purchases this year.

In summation of the above evaluation, we should stress once again that the situation in the farm market is unstable and mixed. In the environment of a period of adaptation, any interference in the market processes should be limited and very cautious. There is no data

foundation for such interference. Only indirect actions may be recommended. In turn, it is not advisable to enter the market with a high intervention procurement price. The Farm Market Agency should get involved in intervention procurement of half-carcasses up to the amount of 50,000 tons at the most (at the cost of about 500 billion zlotys) in the case of slaughter hogs and cattle, if the interest rate reduction itself would not suffice for maintaining the continuity of procurement. Meat reserves should mainly be created in pork due to the structure of demand. The relatively low price of cattle and beef for slaughter may enable us to export this meat profitably.

In view of the current and expected overproduction of milk, we should look into the possibilities for exporting dairy products, in particular butter.

The State Elevator Enterprises should be disbanded, and specific enterprises and mills should be made independent when the Farm Market Agency becomes operational.

The exports of nitrogenous and phosphorous fertilizer should not be kept down in view of the declining demand and the threat of halting production.

The situation in the farm market may stabilize between February and April. Actual trends in agriculture will become apparent (e.g., demand for fertilizer and fodder, the supply of slaughter cattle, and so on). Systemic intervention activities may be undertaken only after this period.

END OF FICHE DATE FILMED 24May 90